City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Agenda - Approved
FINANCE COMMITTEE

Consider: Who benefits? Who is burdened?
Who does not have a voice at the table?
How can policymakers mitigate unintended consequences?

Monday, May 11, 2026 **4:30 PM** **Virtual**

Note: A quorum of the Common Council may be present at this meeting.

The City of Madison is holding the Finance Committee meeting in virtual format.

Written Comments: You can send comments on agenda items to financecommittee@cityofmadison.com

Register for Public Comment:

- **Register to speak at the meeting**
- **Register to answer questions**
- **Register in support or opposition of an agenda item (without speaking)**

If you want to speak at this meeting you must register. You can register at https://www.cityofmadison.com/MeetingRegistration. When you register to speak, you will be sent an email with the information you will need to join the virtual meeting.

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Hu rau peb ntawm tus xov tooj los sis email hauv qab no yog tias koj xav tau kev txhais lus, kev txhais ntawv, los sis kev pab cuam cuam tshuam txog tsis taus. Cov kev pab no yog pub dawb rau koj.

608-266-4671
financecommittee@cityofmadison.com

Call to Order/Roll Call

Public Comment

1. 93028 Public Comment

Disclosures and Recusals

Members of the body should make any required disclosures or recusals under the City's Ethics Code.

Consent Agenda

At this time, a consent agenda may be moved except for items with registrants wishing to speak or items Committee members wish to separate out for discussion or debate purposes.

Items to be Considered

2. 92920 Submitting the appointment of Rachel Darken for confirmation of a five-year term as Fleet Service Superintendent.

3. 92928 Create two 0.75 FTE limited term Senior Center Program Coordinator (CG18, R4) positions in the Community Development Division budget.

4. 92363 Authorizing the City’s execution of a Purchase and Sale Agreement and Lease between the City of Madison and The Salvation Army or their successors and assigns, for the purchase of the property located at 3030 Darbo Drive in the City of Madison, and leaseback period subsequent to closing. (District 15)

5. 92719 Authorizing the City's execution of a lease for a 36-month term beginning June 1, 2026 between the City of Madison and Oakleaf Properties I LLC for the property at 2041 S Stoughton Rd for Clerks Office storage. (District 16)

6. 92785 Seeking Common Council approval of the 2026-2027 Annual Arts Grants awards as recommended by the Madison Arts Commission.

7. 92839 Authorizing the City to execute an agreement with Mad City Ski Team, Inc. to use portions of Law Park and the adjacent Lake Monona lake bed for water ski shows, practices, lessons and other special events for the years of 2026-2028. (District 4)

8. 92901 Authorizing the City's execution of a three-year lease agreement, with one subsequent three-year renewal term, between the City of Madison and NewBridge Madison, Inc., allowing for the use of a portion of the Warner Park Community Recreation Center for not-for-profit community services and related administrative use. (District 12)

9. 92904 Authorizing the Mayor and City Clerk to execute a sole service contract with Madison Development Corp. to administer a Small Cap TIF loan program to provide financial assistance to small businesses located within eligible Tax Increment Districts. (Citywide)

10. 92909 Authorizing the Mayor and City Clerk to execute a development agreement to fund a $1,666,000 Tax Incremental Finance Loan that was authorized in the 2026 EDD Capital Budget in (TID 53) to Wash Franklin, LLC, or its assigns to construct approximately 222 units of affordable housing and approximately 68 parking stalls located at 501 E. Washington Avenue in a proposed boundary amendment to Tax Incremental District (TID) 53 (District 6)

11. 92929 Supporting and approving the City of Madison's application to the US Department of Transportation (USDOT) by the Vision Zero team for a Safe Streets and Roads for All (SS4A) Implementation grant, the acceptance of the grant, and authorizing the Mayor and City Clerk to execute a grant agreement with USDOT or its designee, if awarded the grant (Citywide).

12. 92932 Authorizing the Mayor and the City Clerk to execute an agreement with Roth Professional Solutions for planning, design, and engineering services for replacement of the Lake Forest Lift Station (L.S. 39) (District 13).

13. 92933 Authorizing the Mayor and the City Clerk to execute Amendment No. 4 to the existing Purchase of Services contract between the City of Madison and Brown and Caldwell for engineering services for the Wingra Proper Watershed Study. (District 5, District 10, District 11, District 13, District 14)

14. 92934 Authorizing the City to execute a contract with AECOM Technical Services, Inc., for continued project development and other engineering services associated with N-S Bus Rapid Transit and authorizing expenditure of an additional $6,000,000 for the services.

15. 92949 Authorizing the Mayor and City Clerk to execute a Cooperative Agreement 2026 Renewal with the Capital Area Regional Planning Commission for the investigation of water resources within the City of Madison through the Dane County Cooperative Water Resources Monitoring Program. Said Agreement renewal covers the period of 1/1/26 thru 12/31/26. (Citywide)

16. 92971 Authorizing the City to execute a field use agreement with the Madison Ultimate Frisbee League use of certain athletic fields in City parks as set forth in the Agreement, and continue contributions to established segregated non-reverting fund and a fee structure that supports the shared goals of supporting the use of the City's park space and providing quality maintenance of the City's athletic fields for the years of 2026-2030.

17. 92807 Authorizing the Parks Division to apply for a grant through the Brownfields Grant Program from the Wisconsin Economic Development Corporation for the Olbrich Park - North Parcel Site Remediation Project, the Mayor and City Clerk to sign the resulting grant agreement if awarded, and amending the 2026 Parks Division Capital Budget to allow for acceptance of up to $250,000, if awarded the grant. (District 15)

18. 92946 Approving an Intergovernmental Agreement between the City of Madison and Dane County related to the operations of the men's homeless shelter, located at 1904 Bartillon Drive, and authorizing the Mayor and City Clerk to sign that Agreement; authorizing the Community Development Division (CDD) to accept up to $1,148,000 from Dane County to help fund the shelter's operations in 2026; and amending CDD's 2026 Adopted Operating Budget to recognize the receipt of those funds and authorize their expenditure. (District 12)

Discussion Item

19. 93042 Overview of 2027 Capital Budget Requests

Adjournment

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 93028

File ID:	93028	**File Type:**	Discussion Item	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	05/06/2026
File Name:	Public Comment			**Final Action:**	

Title: Public Comment

Notes:

Sponsors:		**Effective Date:**	
Attachments:		**Enactment Number:**	
Author:		**Hearing Date:**	
Entered by:	abannon@cityofmadison.com	**Published Date:**	

History of Legislative File

Ver-sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	FINANCE COMMITTEE	05/06/2026	Refer	FINANCE COMMITTEE			

Action Text: This Discussion Item was Refer to the FINANCE COMMITTEE

Text of Legislative File 93028

Title
Public Comment

City of Madison

City of Madison
Madison, WI 53703
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Master

File Number: 92920

File ID:	92920	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/28/2026
File Name:	Submitting the appointment of Rachel Darken for confirmation of a five-year term as Fleet Service Superintendent.			**Final Action:**	

Title: Submitting the appointment of Rachel Darken for confirmation of a five-year term as Fleet Service Superintendent.

Notes:

Sponsors:	Satya V. Rhodes-Conway	**Effective Date:**	
Attachments:	Darken Fleet Service Superintendent Draft Contract.pdf	**Enactment Number:**	
Author:	Erin Hillson, Director of Human Resources	**Hearing Date:**	
Entered by:	kklafka@cityofmadison.com	**Published Date:**	

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Human Resources Department	04/28/2026	Referred for Introduction				
	Action Text:	This Resolution was Referred for Introduction					
	Notes:	Finance Committee (5/11/26), Common Council (5/19/26)					
1	COMMON COUNCIL	05/05/2026	Refer	FINANCE COMMITTEE			Pass
	Action Text:	A motion was made by Madison, seconded by Glenn, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.					

Text of Legislative File 92920

Fiscal Note

As stated in the Employment Agreement between the City of Madison and Rachel Darken, the Fleet Service Superintendent salary will be based on an annualized rate of $149,500. Funding for this position is available in Fleet Service's 2026 Adopted Operating Budget.

Title

Submitting the appointment of Rachel Darken for confirmation of a five-year term as Fleet Service Superintendent.

Body

WHEREAS, the Mayor has appointed Rachel Darken to the position of Fleet Service

Superintendent and has recommended to the Common Council that their appointment be confirmed; and,

WHEREAS, the parties have reached an accord on the terms and conditions of an Employment Agreement between the City and Rachel Darken;

NOW THEREFORE, be resolved that Rachel Darken's appointment to the position of Fleet Service Superintendent is hereby confirmed, and the Mayor and the City Clerk's Office are authorized to execute an Employment Agreement between the City and Rachel Darken.

EMPLOYMENT AGREEMENT BETWEEN
THE CITY OF MADISON
AND
RACHEL DARKEN

This Agreement made this May 19, 2026, by and between the City of Madison, a municipal corporation of Dane County, Wisconsin (hereafter, the "City") and Rachel Darken, a natural person (hereafter, the “Superintendent” or “Employee”).

WITNESSETH;

WHEREAS, the City desires to hire the Superintendent as an employee of the City of Madison to perform the services described herein on its sole behalf as the Fleet Service Superintendent, and

WHEREAS, the Superintendent possesses the necessary knowledge, skill, abilities and experience to perform such services and is willing to perform such services as the Fleet Service Superintendent, and

WHEREAS, the Superintendent has been duly selected and has been confirmed for appointment to the position of Fleet Service Superintendent by the Common Council of the City of Madison on May 19, 2026, and

WHEREAS, the Common Council of the City has authorized the execution of the Agreement by Resolution No. RES_____.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and agreements contained in this document, the receipt and sufficiency of which is mutually acknowledged, the parties agree as follows:

I. FLEET SUPERINTENDENT HIRED

Rachel Darken is hired as a non-civil service employee of the City, holding the position of Fleet Service Superintendent pursuant to the terms, conditions, and provisions of this Agreement. The Superintendent shall have and exercise full authority and discretion as a Department Head within the City's organizational structure and act as Appointing Authority for employees of the Fleet Services Division in accordance with all appropriate City Ordinances and Mayor's Administrative Procedure Memoranda.

II. FUNCTIONS, DUTIES AND RESPONSIBILITIES OF THE FLEET SERVICE SUPERINTENDENT

A. General Responsibilities:

This is responsible managerial, administrative, and technical work in planning for and directing the programs, operations, and staff of Fleet Service. Fleet Service is responsible for the fueling, administration, purchasing, maintenance and repair, inspection, replacement, and disposal of the centralized municipal fleet of vehicles, trucks, and specialized equipment. Under the general direction of the Mayor, and in conjunction with the Public Works Team Lead and all other City Divisions, the Employee functions with a high degree of independence in the development and implementation of assigned programs.

B. Examples of Duties and Responsibilities:

Develop and manage the programs and operations of Fleet Service, incorporating the fueling, administration, purchasing, maintenance and repair, inspection, replacement, and disposal of the centralized municipal automotive fleet (to include a wide variety of on- and off-road vehicles and special purpose equipment). Develop and maintain a cost-effective preventive maintenance plan and oversee implementation through lower-level supervisors.

Evaluate automotive equipment needs in consultation with user agencies. Prepare detailed truck, automotive, and specialized equipment specifications. Advise City officials on a variety of automotive equipment considerations. Plan for and determine the most cost-effective, safest, and environmentally sustainable service and replacement or reassignment of fleet equipment. Monitor usage levels of vehicles and equipment to ensure that vehicles are being utilized to their fullest potential in a safe and cost-effective manner. Oversee annual Capital and Operating budget management to adequately cover the vehicle and equipment needs of user agencies.

Develop and maintain Fleet Service policies and procedures. Prioritize and expedite crucial cost-effective repairs. Maintain close communication and coordination with user agencies to maximize service delivery. Maintain and update APM 2-13: City Driver Policy, which applies to all City drivers from every Division. Coordinate with other Department and Division Heads to enforce APM 2-13.

Develop and maintain effective service and vehicle/equipment operational cost analysis information and recordkeeping systems. Prepare and present comprehensive budgetary information. Oversee cost-effective inventory

control system(s) relative to automotive parts, supplies and fuel using (1) fleet maintenance software database, (2) fueling software database, and (3) GPS telematics software database

Manage Fleet Service supervisory, skilled, semi-skilled, and administrative staff. Serve as Appointing Authority for Fleet Service. Hire, train, motivate, supervise, evaluate, and discipline staff. Respond to employee grievances. Develop and support an inclusive and growth-minded work culture among Division staff with a goal of improving employee retention and satisfaction. Maintain applicable occupational health and safety standards.

Oversee the maintenance and repair of fleet vehicles at satellite user locations.

Prepare and present a variety of operational and budgetary reports and recommendations.

Participate in various City staff teams, relative to both Fleet Service planning and utilization, and more generalized City management matters. Collaborate with the Public Works Team on issues of mutual interest. Participate in related program planning and problem resolution. Participate in labor contract negotiations.

Represent Fleet Service as a stakeholder on the Madison Vision Zero committee for traffic safety fatality reduction programs. Collaborate with the Sustainability Office on all Fleet Service-related aspects of the Madison Climate Forward Program including electric vehicles, hybrid vehicles, clean fuels, anti-idling technology, GPS telematics, and other similar initiatives. Coordinate with other City fleets and the greater Madison community to further these initiatives and share best practices.

Coordinate with Metro Transit and Water Utility on their fleet operations, with a goal of developing shared efficiencies in the areas of maintenance and repair, purchasing, fueling, environmental sustainability, employee training, and administration.

Play a key role in logistics for citywide emergency management within City Incident Command System, as needed.

Provide media and legislative liaison for Fleet Service. Represent Fleet Service in a variety of contexts.

Develop and sustain a highly functional department of crucial importance to

the people of Madison.

Demonstrate a commitment to the City's racial equity and social justice initiatives (RESJI). Participate in and help lead citywide and agency efforts toward implementing RESJI principles.

Instill a culture of continuous learning and a commitment to ongoing initiatives involving performance excellence systems.

Demonstrate and promote organizational values, in everyday work, to further the mission and vision of the City of Madison.

Ability to demonstrate and promote organizational values, in everyday work, to further the mission and vision of the City of Madison.

Perform related work as required.

C. The Superintendent agrees to perform such functions and duties at a professional level of competence and efficiency. The Superintendent shall abide by all requirements of the laws of the State of Wisconsin, and of the ordinances, resolutions, regulations, rules, and practices of the City that exist at the time of execution of this Agreement or which may, hereafter, be enacted or amended by the State of Wisconsin or the City in the exercise of their lawful authority. In the event a provision of this Agreement conflicts with any City ordinance, resolution, regulation, rule, or policy, the provision of the Agreement shall control, except that nothing herein shall be interpreted as modifying the obligations or terms Madison General Ordinance §3.35 (the Ethics Code).

D. The Superintendent shall devote full time to the duties and responsibilities provided herein and shall engage in no pursuit that interferes with them. The Mayor, however, may approve the Superintendent's reasonable time away from the regular duties and responsibilities provided such time is approved in advance and taken as vacation leave or absence without pay. Further, the Mayor may authorize other limited outside professional activities on City time provided that they are determined to be of benefit to the City and the Superintendent is not compensated for such activities. Nothing herein limits the Superintendent from performing outside services for compensation provided such outside services have been approved by the Mayor, are not done on City time, and otherwise comply with City ordinances and rules.

E. The standard City workweek is 38.75 hours. However, the Superintendent

shall have reasonable flexibility from this standard to accommodate additional time expended outside regular working hours required by attendance at meetings and the like. Such flexibility is not intended to provide or be used as additional vacation or other paid leave.

F. The Superintendent shall have no right to make contracts or commitments for or on behalf of the City except as preauthorized by statute, ordinance, or express written consent of the City.

G. The Superintendent shall continue to reside within the City of Madison for the duration of this contract. As a condition of accepting this contract, the Superintendent agrees to waive any right to challenge this residency requirement, by court action or otherwise.

III. COMPENSATION AND BENEFITS

A. The Superintendent's salary shall be based on an annualized rate of $149,500 and shall be paid in approximately equal biweekly payments according to regular City payroll practices. Annual salary adjustments during the term of this agreement may be made at the Mayor's discretion, subject to approval of the Common Council, as provided in the City's established managerial pay plan. The Superintendent shall not be entitled to receive any additional overtime compensation, compensatory time off, or bonuses.

B. The Superintendent shall, in addition to the compensation provided in Paragraph A above, and except as otherwise set forth in the Agreement, be entitled to the following benefits:

1. The Superintendent shall receive the same benefits as all other non-represented professional employees in Compensation Group 18 as may be provided and/or modified by the Madison General Ordinances, Resolution of the Common Council, Administrative Procedure Memoranda or other official City action throughout the duration of this agreement subject to paragraph II. (G) above.

2. The Superintendent shall be entitled to twenty-five (25) days of vacation in each year of this Agreement. Credited but unused vacation in excess of ten (10) days may be carried forward to the succeeding year with the approval of the Human Resources Superintendent. Except as otherwise provided, the Superintendent shall be paid in full for credited but unused vacation existing at the expiration of this Agreement or upon the Superintendent's

retirement, when qualified for receipt of Wisconsin Retirement System (WRS) benefits. The Superintendent may elect to convert up to twenty (20) days of their annual vacation to an amount of cash equivalent, calculated on their regular earnings. The Superintendent shall apply for such conversion option in accordance with City procedures, and such amount shall be paid in a manner determined by the City.

3. Sick Leave: If the Superintendent leaves the position before the end of the contract period, the Superintendent shall be entitled to payment in full (100%) of any earned but unused sick leave accumulated during each of the fully completed contract period(s). The Superintendent shall be entitled to one-half (50%) of any earned but unused sick leave accumulated to the day the Superintendent terminated City employment during the contract period. If the City terminates the Superintendent's contract before the end of the contract period or the Superintendent leaves the position at the end of the contract period or the Superintendent retires and qualifies for WRS benefits, they shall be entitled to payment in full (100%) of any sick leave the Superintendent would have earned through the end of that year.

4. The Superintendent shall be eligible to participate at City expense in professional seminars, conferences, workshops, and related meetings consistent with the role as Superintendent and in accordance with applicable Administrative Procedure Memoranda.

5. The Superintendent shall be reimbursed for relevant professional association and/or licensure dues.

6. The Superintendent shall be eligible for smart phone with data plan reimbursement up to seventy-five (75) dollars per month for City usage.

IV. TERM: RENEWAL OPPORTUNITY; NON-RENEWAL

A. This Agreement shall take effect on April 26, 2026, and shall expire on April 25, 2031, unless terminated sooner as provided herein. All salary and benefit changes shall apply effective April 26, 2026.

B. The Mayor and Public Works Director, in their sole discretion, may offer renewal of this Agreement to the Superintendent. The Mayor shall notify the Superintendent of the intent to renew the Agreement at least ninety (90)

calendar days before the expiration of this Agreement. Failure to so notify the Superintendent shall extend the term of this Agreement by the time of the delay in actual notification (but in no event for more than ninety (90) days) without change in the Superintendent's anniversary date, and shall not act as a full renewal of the Agreement. Renewal of the agreement and of its provisions shall be subject to the approval of the Common Council. In the event the Common Council does not renew this Agreement, this Agreement will remain in effect for ninety (90) days following the non-renewal action by the Common Council or five (5) years from the date of this Agreement, whichever is later.

D. The Mayor and Public Works Director, in their sole discretion, may elect not to offer renewal of this Agreement to the Superintendent. In such event, the Mayor shall notify the Superintendent of the intent not to renew the contract at least ninety (90) calendar days before the expiration of this Agreement. Failure to so notify shall extend the term of this Agreement by the time of the delay in actual notification (but in no event for more than ninety (90) days) and shall not act as a renewal of the Agreement. At the expiration of the Agreement, the parties' rights, duties, responsibilities, and obligations shall end. However, the Superintendent will, at the sole discretion of the Mayor, be eligible to take a voluntary demotion into any vacant or newly created position for which the Superintendent is qualified.

E. In the event of non-renewal of this Agreement, under either Paragraph D above, the Mayor and Public Works Director may, in their sole discretion, terminate this Agreement at any earlier date within ninety (90) days of the expiration of this Agreement, as determined by the Mayor. The early termination is to be accomplished by (a) notifying the Superintendent of the date of early termination, and (b) committing to buy out the balance of this Agreement by paying the Superintendent the balance due under this Agreement in a lump sum, including salary and leave benefits (vacation, floating holiday, paid leave, sick leave) earned or to be earned through the original term of this Agreement, together with payment of the City's share of any health insurance premiums or the provision for such payment through the original term of this Agreement. The buy-out may be for the full period left on this Agreement, or any portion of the final ninety (90) days thereof. If this Agreement is terminated early through the provisions of this buy-out clause, the Superintendent's employment with the City ends as of the date of early termination.

V. PERSONNEL ACTIONS

For a period of twelve (12) months from the effective date of this Agreement, the

Superintendent shall serve a probationary period. During the probationary period, the Superintendent serves at the pleasure of the Mayor and Public Works Director, and may be removed at will by the Mayor. The Mayor will give the Superintendent four (4) weeks' notice of removal. Following the probationary period, and for any renewal of this Agreement, the Superintendent be removed as otherwise provided herein.

The Superintendent is subject to the Public Works Director's supervision and is, during the term of this Agreement, subject to the Public Works Director and Mayor's authority to impose discipline on or to discharge the Superintendent as is provided in Sec. 9 of the City of Madison Personnel Rules, or as may be renumbered or amended hereafter. The Superintendent shall be entitled to the procedural appeal and provisions contained in such subsection or as may be provided other non-represented employees at the time of imposition of suspension or discharge.

VI. CITY OBLIGATIONS AND RIGHTS

The City shall provide staff, equipment, supplies, and space that it deems reasonable, in its sole discretion, for the conduct of the work of the Superintendent. The City retains the sole right to determine the organizational structure and overall functioning of the Fleet Service Division.

VII. REOPENING THE AGREEMENT

Either party may request that the Agreement be reopened for renegotiation if or when the Superintendent's duties or responsibilities change significantly. A "significant" change in the Superintendent's duties is defined as that degree of change in duties and responsibilities that would qualify a civil service position for reclassification pursuant to standard City personnel practices.

Factors which may be considered include the addition or deletion of duties, changes in Department services, or the addition or deletion of programs. If there is no agreement, the original Agreement shall control and shall not be reopened. Agreement changes, if any, and any resulting reclassification of the position shall not be deemed the creation of a new position so as to require competition.

VIII. LIABILITY PROTECTION

The City shall defend and indemnify the Superintendent against and for any and all demands, claims, suits, actions, and legal proceedings brought against them in their official capacity or personally for acts performed within the scope of their employment to the extent and only to the extent authorized by the Wisconsin

Statutes in effect at the time of the act complained of and as may be provided by any City insurance coverage for employees at such time.

IX. STATEMENT OF ECONOMIC INTERESTS

Pursuant to Madison General Ordinance §3.35 (the Ethics Code), the Superintendent shall file a Statement of Economic Interests with the City Clerk within fourteen (14) days of their appointment. Each person required to file a Statement of Economic Interests shall annually file with the Clerk an updated Statement no later than April 30 of each year.

X. DOCUMENTS AND MATERIALS PROPERTY OF THE CITY

All of the documents, materials, files, reports, data and the like which the Superintendent prepares or receives while this Agreement is in effect are the sole property of the City of Madison. The Superintendent will not publish any such materials or use them for any research or publication without attribution to the City other than as work performed pursuant to the terms of this Agreement.

XI. APPEARANCE BEFORE ANY CITY ENTITY FOLLOWING SEPARATION FROM EMPLOYMENT

The Superintendent shall be subject to the provisions of Madison General Ordinance §3.35 (the Ethics Code).

XII. TERMINATION OF AGREEMENT

A. The Superintendent may elect to terminate this Agreement before the expiration of the contract period. If the Superintendent provides less than forty-five (45) calendar days' notice in writing to the Mayor, the Superintendent forfeits all rights to the cash equivalent of any of the benefits enumerated in Section III. B. of the Agreement. If the Superintendent provides forty-five (45) calendar days' notice, or greater, in writing to the Mayor, the benefits enumerated in Section III. B. of the Agreement will be paid according to the terms of the Superintendent leaving during the contract period. These forfeiture provisions do not apply if the Superintendent retires from this position and qualifies for benefits under the Wisconsin Retirement System.

B. The Superintendent's discharge (as provided for in section 9 of the City of Madison Personnel Rules) during the term of this Agreement shall be deemed a breach of material provision of the Agreement. In the event of a discharge or other breach of a material provision of the Agreement by the

Superintendent, the Superintendent shall forfeit all compensation and benefits from the date of notification of the breach by the City. This action shall not impact the receipt of benefits earned during the total period of employment. In the event of an alleged breach of a material provision of this Agreement by either party, the concerned party shall notify the other party in writing within thirty (30) working days, which shall be followed by a meeting of the parties to resolve the alleged breach. In the event the issue is not resolved, the Superintendent or the City may pursue contract remedies.

C. The City retains the right, in its sole discretion, to abolish the position of Fleet Service Superintendent or to reorganize as it deems in the best interest of the City. In the event the City abolishes the position of Fleet Service Superintendent or reorganizes the Department to the extent that the position of Fleet Service Superintendent is no longer required, this Agreement shall terminate and all rights, duties and obligations of the parties shall mutually end without recourse ninety (90) calendar days after final approval of such abolishment of position or reorganization by the Common Council, except as provided in Madison General Ordinance §3.35 (the Ethics Code). In such case, all benefits provided in renewal or non-renewal of the agreement apply.

XIII. NO ASSIGNMENT OR SUBCONTRACT

The Superintendent shall not assign or subcontract any interest or obligation under this Agreement.

XIV. AMENDMENT

This Agreement shall be amended only by written Addendum to Agreement of the parties approved and authorized for execution in the same fashion as this original Agreement.

XV. NO WAIVER

No failure to exercise and no delay in exercising any right, power, or remedy on either party's part shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or remedy preclude any other or further exercise thereof, or the exercise of any other right, power, or remedy.

XVI. ENTIRE AGREEMENT

No agreements, oral or written, express or implied, have been made by either

party hereto, except as expressly provided herein. All prior agreements and negotiations are superseded hereby. This Agreement and any duly executed addenda or amendments thereto constitute the entire Agreement between the parties hereto.

XVII. SEVERABILITY

In the event any provisions of this Agreement are determined by any court of law to be unconstitutional, illegal, or unenforceable, it is the intention of the parties that all other provisions of this Agreement shall remain in full force and effect.

XVIII. GOVERNING INTENT AND LAW

This Agreement shall be interpreted in the first instance in accordance with the spirit and intent of the Substitute Report of the Human Resources Committee Report approved by the Common Council on August 2, 1988 and shall be controlled, construed, and enforced in accordance with the laws of the State of Wisconsin.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the day and year contained herein.

EMPLOYEE:

_____
Rachel Darken

CITY OF MADISON
A Wisconsin Municipal Corporation

_____
Satya Rhodes-Conway, Mayor

_____
Lydia McComas, City Clerk

APPROVED:

APPROVED AS TO FORM:

David Schmiedicke, Finance Director	Patricia Lauten, Deputy City Attorney

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92928

File ID:	92928	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/28/2026
File Name:	Create two 0.75 FTE limited term Senior Center Program Coordinator (CG18, R4) positions in the Community Development Division budget.			**Final Action:**	

Title: Create two 0.75 FTE limited term Senior Center Program Coordinator (CG18, R4) positions in the Community Development Division budget.

Notes:

Sponsors:	Director of Human Resources	**Effective Date:**	
Attachments:	FinComm Memo CDD Senior Center Program Coord.pdf, Program and Outreach Coordinator_PD.docx	**Enactment Number:**	
Author:	Julie Trimbel, Human Resources Analyst	**Hearing Date:**	
Entered by:	jortiz@cityofmadison.com	**Published Date:**	

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Human Resources Department	04/28/2026	Referred for Introduction				
	Action Text:	This Resolution was Referred for Introduction					
	Notes:	Finance Committee (5/11/26), Common Council (5/19/26)					
1	COMMON COUNCIL	05/05/2026	Refer	FINANCE COMMITTEE			Pass
	Action Text:	A motion was made by Madison, seconded by Glenn, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.					

Text of Legislative File 92928

Fiscal Note

The proposed resolution authorizes the creation of two 0.75 LTE Senior Center Program Coordinator positions in the Community Development Division. The 2026 estimated cost for the creation of these positions is $76,750 (estimated start date of 6/7/26). The annual estimated cost of these positions is $134,425.

The Common Council authorized acceptance of a grant from the Oscar Rennebohm Foundation in March 2026 (RES-26-00148, leg file 92031). These positions will be fully funded by the grant in 2026. The level of funding from the grantor for the salary and benefits related to

these positions gradually declines over the subsequent three years of the grant period (2027 - 2029). If the Program is to continue, funding from the City General Fund or other sources will be needed to offset those reductions. Any additional City funding required to meet those obligations in 2027, 2028, and 2029, will require authorization from the Common Council through the City's standard operating budget process for each of those years. This includes continued authorization for these two 0.75 LTE positions. Once the grant period is over, the program will be evaluated to determine if it will continue. If CDD wishes to continue the program, the agency will need to request the funds and continued position authority through the standard operating budget process. No additional appropriation required.

Title

Create two 0.75 FTE limited term Senior Center Program Coordinator (CG18, R4) positions in the Community Development Division budget.

Body

Resolution creating two 0.75 FTE limited term positions of Senior Center Program Coordinator (CG18, R4) in the Community Development Division operating budget, thereof.

TO: Finance Committee

FROM: Julie Trimbell, Human Resources

DATE: April 16, 2026

SUBJECT: Senior Center Program Coordinator – Community Development Division/Senior Center

Community Development Division Director Jim O'Keefe and Community Development Manager Yolanda Shelton-Morris are requesting the addition of two 0.75 FTE limited-term positions to support a neighborhood-based older adult pilot program initiative with the Madison Senior Center. These positions will perform professional work in the development, promotion, coordination, implementation, management, and evaluation of services, programs and activities for older adults at neighborhood-based community centers. Upon reviewing the submitted position description, I recommend the positions be created as Senior Center Program Coordinators (CG18, Range 4) due to the nature of the work described.

The Community Development Division was recently awarded a grant of up to $750,000 from the Oscar Rennebohm Foundation to help fund a four-year Neighborhood-based Older Adult Pilot Program. The grant includes funding for two new limited term positions that will perform similar work to the current Senior Center Program Coordinators however their efforts will expand beyond the Madison Senior Center and directly into neighborhoods to meet their specific needs. The Senior Center Program Coordinator class spec describes:

> …responsible professional and administrative work in the **development, promotion, coordination, implementation, management, and evaluation of Madison Senior Center services, programs and activities**. The work involves responsibility for **identifying needs, coordinating program development, and developing and maintaining community relations and marketing activities** including newsletter, radio, and cable television program production. Under general supervision of the Senior Center Director, work involves the exercise of independent judgment and initiative in management of programs and activities of the Senior Center. [emphasis added]

The responsibilities of these positions will include the following:

- Conduct community outreach and engagement;
- Assess interests and needs;
- Develop and coordinate programs;
- Collaborate with community partners and organizations;
- Evaluate program effectiveness.

The expansion of this work beyond the Madison Senior Center cannot be managed by the existing Senior Center Program Coordinators due to their capacity and workload constraints. As such, additional staff is necessary to implement the pilot program.

As the Senior Center Program Coordinator classification already exists in the City's classification scheme, creation of these positions within the Community Development Division operating budget may be authorized directly by the Finance Committee, according to Mayoral APM 2-4. Therefore, I recommend

creation of two 0.75 FTE limited term Senior Center Program Coordinator positions (CG18, Range 4), which will be eligible for benefits, within the Community Development Division operating budget.

The necessary resolution to implement this recommendation has been drafted.

Editor's Note:

Compensation Group/Range	2026 Annual Minimum (Step 1)	2026 Annual Maximum (Step 5)	2026 Annual Maximum +12% longevity
18/04	$68,689	$79,210	$88,715

cc: Jim O'Keefe – Community Development Division Director
Yolanda Shelton-Morris - Community Development Manager

CITY OF MADISON POSITION DESCRIPTION

1. Name of Employee (or "vacant"):

   Work Phone: 608-266-6290

2. Class Title (i.e. payroll title):

   Senior Center Program Coordinator

3. Working Title (if any):

   Older Adult Program and Outreach Coordinator

4. Name & Class of First-Line Supervisor:

   Yolanda Shelton-Morris

   Work Phone: 608-266-6563

5. Department, Division & Section:

   Department of Planning, Economic, & Community Development
   Community Development Division, Madison Senior Center

6. Work Address:

   330 W Mifflin Street, Madison, WI 53703

7. Hours/Week: 29.00 hours per week (75% FTE LTE)

   Start time: 8:00 am End time: 4:30 pm

8. Date of hire in this position:

9. From approximately what date has employee performed the work currently assigned:

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10. Position Purpose: (How this position fits into the overall mission, vision, and goals of your agency and work unit.)

    This position supports the City of Madison's efforts to expand access to programs, services, and social connection opportunities for older adults through neighborhood-based community centers. The Program and Outreach Coordinator plays a key role in developing, implementing, and evaluating pilot programming designed to increase engagement, reduce social isolation, and strengthen connections between older adults and community resources.

    Working collaboratively with community center staff, partner organizations, and an external evaluator, this position helps identify the interests and needs of older adults, coordinates programming and nutrition initiatives, and promotes participation in activities that support healthy aging and community connection across neighborhood-based sites.

11. Position Summary:

This Program and Outreach Coordinator performs professional and administrative work in the development, promotion, coordination, implementation, and evaluation of neighborhood-based programming for older adults participating in the City of Madison's Older Adult Pilot Program.

Under the general supervision of the Community Resources Manager, this position works collaboratively with community centers, partner organizations, volunteers, and an external evaluator to assess program interests, implement activities and nutrition initiatives, promote participation, and track participation outcomes.

Work involves exercising independent judgment and initiative in coordinating programming across neighborhood-based sites, supporting partnerships with food providers and community organizations, and helping evaluate the impact of the pilot program on older adult engagement and social connection. Work may include evenings or occasional weekend hours based on program schedules.

12. Functions and Worker Activities: (Do NOT include duties done on an "Out-of-Class" basis.)

40% **Program Coordination and Development**
Develop, implement, coordinate, and maintain neighborhood-based programs, services, and activities that support the well-being and social connection of older adults.

1. Work with community center staff to assess the interests and program needs of older adults in each neighborhood-based site.
2. Develop and implement a weekly schedule of activities and programs that reflect the needs and interests of participating older adults.
3. Coordinate and implement programs including educational workshops, recreation activities, wellness programming, and social engagement opportunities.
4. Recruit and coordinate program facilitators, instructors, volunteers, and community partners to support program delivery.
5. Coordinate program logistics including scheduling, supplies, equipment, and space arrangements in collaboration with community center staff.
6. Collaborate with community partners and organizations to expand program offerings and increase access to resources for older adults.
7. Monitor participation levels and program effectiveness and make recommendations for program improvements.
8. Support special events and activities that promote engagement and connection among older adult participants.

35% **Community Outreach and Engagement**
Develop and implement outreach strategies to increase awareness of neighborhood-based programming and strengthen connections with older adults and community partners.

1. Promote programming and activities in collaboration with Madison Senior Center staff and neighborhood community centers.
2. Conduct outreach to recruit participants through community meetings, events, presentations, and partner networks.
3. Build and maintain relationships with community organizations, service providers, and neighborhood partners serving older adults.
4. Develop and distribute program information through print materials, email communications, and community partner networks.
5. Support marketing and communications efforts that increase visibility of neighborhood-based older adult programs and services.
6. Work collaboratively with community centers to build welcoming and inclusive environments for diverse older adult participants.

25% **Program Evaluation, Nutrition Coordination, and Administration**
Support program tracking, nutrition program implementation, and evaluation of the pilot program.

1. Work collaboratively with the external evaluator, Community Development Division (CDD) staff, and community center staff to track program participation, attendance, and outcomes.
2. Assist in collecting and maintaining program participation data and basic outcome measures related to engagement and social connection.
3. Coordinate neighborhood-based nutrition programming, including breakfast or lunch experiences, in collaboration with community centers and community partners.
4. Establish and maintain partnerships with food providers, meal programs, and community organizations supporting nutrition access.
5. Coordinate food delivery schedules or manage site-based stipends for meal programming depending on the pilot model implemented.
6. Track program outputs such as number of meals served and participation in nutrition programming.
7. Maintain program records and assist with preparing reports related to pilot program activities, participation, and outcomes.

13. Primary knowledge, skills and abilities required:

Knowledge
- Working knowledge of programs, activities, and engagement opportunities that contribute to the well-being and social connection of older adults from diverse segments of the community.
- Knowledge of community resources and services available to older adults and those that support community-based program development.
- Knowledge of outreach, marketing, public relations, and communication principles, techniques, and practices used to promote community programs and services.
- Knowledge of methods used to schedule, organize, and implement programs, services, activities, and events within community-based settings.
- Knowledge of methods used to prepare narrative and statistical reports, maintain program records, and collect basic participation or outcome data.
- Knowledge of strategies for building partnerships with community organizations, volunteers, and service providers.
- Knowledge of budgeting, recordkeeping, and program tracking procedures and practices.
- Knowledge of cultural competence and inclusive practices that support effective engagement with diverse community members.

Skills
- Skill in organizing and coordinating multiple programs, activities, and partnerships simultaneously.
- Skill in outreach and communication with community members, partner organizations, and stakeholders.
- Skill in preparing clear written materials, reports, and presentations.
- Skill in using computer software applicable to the duties of the position, including word processing, spreadsheets, databases, and communication platforms.
- Skill in problem-solving and addressing challenges that arise in program coordination or participant engagement.

Abilities
- Ability to establish and maintain effective working relationships with coworkers, community center staff, partner organizations, volunteers, and community members.
- Ability to recognize the needs of older adults and connect individuals to appropriate resources and services.
- Ability to work effectively in a team environment while exercising initiative and independent judgment.
- Ability to organize and prioritize work within established deadlines and adapt to changing program needs and priorities.
- Ability to coordinate volunteers, facilitators, and community partners involved in program implementation.
- Ability to work effectively with individuals from diverse cultural, racial, and socioeconomic backgrounds and respond appropriately to different perspectives and experiences.
- Ability to diffuse situations and respond constructively when challenges or conflicts arise.

- Ability to maintain adequate attendance and work occasional evenings or weekends as program schedules require.

This position requires work outside of normal business hours, evenings and weekends.

14. Special tools and equipment required:

    None

15. Required licenses and/or registration:

    WI driver's license

16. Physical requirements:

    Ability to lift 30 pounds occasionally. Ability to sit at a computer in a traditional office setting.

17. Supervision received (level and type):

    General supervision of Community Resources Manager.

18. Leadership Responsibilities:

    This position:
    ☐ is responsible for supervisory activities (Supervisory Analysis Form attached).
    ☐ has no leadership responsibility.
    ☒ provides general leadership (please provide detail under Function Statement).

19. Employee Acknowledgment:

    ☐ I prepared this form and believe that it accurately describes my position.
    ☐ I have been provided with this description of my assignment by my supervisor.
    ☐ Other comments (see attached).

    EMPLOYEE _____ DATE _____

20. Supervisor Statement:

    ☒ I have prepared this form and believe that it accurately describes this position.
    ☐ I have reviewed this form, as prepared by the employee, and believe that it accurately describes this position.
    ☐ I have reviewed this form, as prepared by the employee, and find that it differs from my assessment of the position. I have discussed these concerns with the employee and provided them with my written comments (which are attached).
    ☐ I do not believe that the document should be used as the official description of this position (i.e., for purposes of official decisions).
    ☐ Other comments (see attached).

    SUPERVISOR _____ DATE _____

Instructions and additional forms are available from the Human Resources Dept., Room 261, Madison Municipal Bldg., calling 266-4615 or visiting cityofmadison.com/employeenet/policies-procedures/position-descriptions.

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92363

File ID: 92363 **File Type:** Resolution **Status:** Items Referred

Version: 1 **Reference:** **Controlling Body:** FINANCE COMMITTEE

File Created Date : 03/17/2026

File Name: 10379/13309 - 3030 Darbo Dr Acquisition and Lease **Final Action:**

Title: Authorizing the City's execution of a Purchase and Sale Agreement and Lease between the City of Madison and The Salvation Army or their successors and assigns, for the purchase of the property located at 3030 Darbo Drive in the City of Madison, and leaseback period subsequent to closing. (District 15)

Notes:

Sponsors: Satya V. Rhodes-Conway And Dina Nina Martinez-Rutherford **Effective Date:**

Attachments: 10379 PSA 3030 Darbo - Seller 3-17-26.pdf, 10379 SA Darbo_CC Acq Memo_3.16.26.pdf, Appraisal Report - Salvation Army Offices - Darbo Drive - Bussen Company.pdf, MRE Appraisal Salvation Army Office Building - Reduced.pdf, 13309 Lease -3030 Darbo.pdf, 042126_CC_public_comment.pdf **Enactment Number:**

Author: Dan Rolfs, Real Estate Development Manager **Hearing Date:**

Entered by: cklawiter@cityofmadison.com **Published Date:**

History of Legislative File

Ver-sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Economic Development Division	03/17/2026	Referred for Introduction				
	Action Text: This Resolution was Referred for Introduction						
	Notes: Finance Committee (4/13/26), Common Council (4/21/26)						
1	COMMON COUNCIL	03/24/2026	Refer	FINANCE COMMITTEE			Pass
	Action Text: A motion was made by Vidaver, seconded by Govindarajan, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.						
1	FINANCE COMMITTEE	04/13/2026	RECOMMEND TO COUNCIL TO RE-REFER - REPORT OF OFFICER				Pass
	Action Text: A motion was made by Vidaver, seconded by Govindarajan, to RECOMMEND TO COUNCIL TO RE-REFER - REPORT OF OFFICER to the Finance Committee (Finance Committee 5/11/26, Common Council 5/19/26). The motion passed by voice vote/other.						
	Notes: Finance Committee (5/11/26), Common Council (5/19/26)						

1	COMMON COUNCIL	04/21/2026 Re-refer	FINANCE COMMITTEE	Pass

Action Text: A motion was made by Madison, seconded by Glenn, to Re-refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.

Text of Legislative File 92363

Fiscal Note

The proposed resolution authorizes the execution of a Purchase and Sale Agreement (PSA) between The Salvation Army and the City of Madison. The City will purchase the property at 3030 Darbo Dr from The Salvation Army for $3.3 million. The proposed resolution further authorizes the execution of a lease between the City of Madison and The Salvation Army. After purchase of the property, the City will lease the property to The Salvation Army for $1 per year. The initial lease term runs through December 31, 2027. After the initial term, the lease can be extended up to three times for a term of one year each. The conditions of the extensions would be the same as the initial lease term.

Total acquisition, closing, and holding costs are estimated to be $3,385,000. Funding for the proposed acquisition and associated expenses is available in the adopted Capital Budget. The Community Development Division's Capital Budget includes $2.5 million for purchase of the property (project #13775). This budget was authorized in 2022 and has carried forward. The project was originally funded by federal American Rescue Plan Act (ARPA) monies. The 2024 year-end appropriation resolution (RES-24-00737, Legistar file 86200) transferred the $2.5 million in ARPA funding to the General Fund for eligible General Fund expenditures, and the ARPA funding for this property acquisition was replaced by a direct appropriation to the Capital Fund from the General Fund. The remaining $885,000 is available in the Economic Development Division's Land Banking capital program (program #12640). See attached memo for history of the planned acquisition of this property. No additional appropriation required.

Title

Authorizing the City's execution of a Purchase and Sale Agreement and Lease between the City of Madison and The Salvation Army or their successors and assigns, for the purchase of the property located at 3030 Darbo Drive in the City of Madison, and leaseback period subsequent to closing. (District 15)

Body

WHEREAS, The Salvation Army ("Seller") is the owner of the property located at 3030 Darbo Drive which contains 2.57 acres of land and all improvements thereon ("Property"), which is legally described in Exhibit A of the Purchase and Sale Agreement ("PSA") attached hereto; and,

WHEREAS, the City of Madison ("City") desires to purchase the Property from the Seller to provide the Seller with funding to redevelop the Seller's Shelter for Women and Children on E. Washington Avenue, to landbank a property that is proximate to Bus Rapid Transit in order to support continued provision of essential community services and to provide the City with an additional site for creating the Darbo Dream; and,

WHEREAS, the Mayor directed the City's Office of Real Estate Services to pursue the purchase of one or more properties suitable for such use, the Property was selected, and the negotiated terms are available in the PSA attached hereto; and,

WHEREAS, the City agrees that the Seller may lease the Property from the City after closing for rent of One Dollar ($1.00) per year, until such time as the Seller's new facility is completed, subject to the terms and conditions of the Lease attached to the PSA as Exhibit B.

NOW, THEREFORE, BE IT RESOLVED that the City's Common Council hereby authorizes the City's execution of a Purchase and Sale Agreement, as Buyer, for the purchase of the Property with a purchase price of $3,300,000 subject to certain prorations and closing costs, and on substantially the same the terms and conditions contained in the PSA attached hereto; and,

BE IT FURTHER RESOLVED that the City's Common Council hereby authorizes the City's execution of a lease for $1 a year with the Seller for the continued use of the Property after closing on substantially the same the terms and conditions contained in the Lease included as Exhibit B of the PSA attached hereto; and,

BE IT FURTHER RESOLVED that City Staff are authorized to solicit and enter into contracts to pay for holding costs including, but not limited to the City's maintenance and repair responsibilities outlined in the Lease, and after the Lease has expired and Seller has vacated the Property, grass cutting, snow removal, capital repairs and general maintenance; and,

BE IT FINALLY RESOLVED that the Mayor and Clerk are hereby authorized to sign, accept, and record any and all documents and legal instruments required to complete the transactions contemplated in this resolution, on a form and in a manner that has been approved by the City Attorney.

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("Agreement") is entered into as of the _____ day of _____, 2026, by and between the **City of Madison**, a Wisconsin municipal corporation ("Buyer") and **The Salvation Army**, an Illinois corporation ("Seller").

In consideration of the covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Buyer and the Seller (together, the "Parties") hereto covenant and agree as follows:

1. The Property. The Seller is the owner of the real property legally described in Exhibit A, located at 3030 Darbo Drive in the City of Madison, Wisconsin (the "Property"). At Closing, the Buyer shall purchase and the Seller shall sell and convey by Special Warranty Deed ("Deed") fee simple ownership of Seller's interest in the Property, together with all rights, easements and appurtenances pertaining thereto and all improvements, trees, bushes, landscaping, and foliage.

2. Effective Date. The "Effective Date" shall be the date first stated above.

3. Purchase Price. The total purchase price of the Property ("Purchase Price") shall be Three Million Three Hundred Thousand and no/100 ($3,300,000.00) which amount shall be payable in cash at Closing, as defined herein, subject to the adjustments and prorations herein provided.

4. Personal Property. The transaction contemplated by this Agreement will not include any personal property.

5. Delivery of Documents.

    a. The Seller shall, within (10) business days after the Seller's execution of this Agreement, provide the Buyer with complete copies of all documents in the Seller's actual possession or control relating to the physical and environmental condition of the Property. Seller has previously provided to the City copies of appraisals received by Seller regarding the Property.

b. Within five (5) business days after the Seller's execution of this Agreement, the Seller shall order a title insurance commitment ("Title Commitment") from the First American Title Company ("Title Company") with a policy amount of not less than the Purchase Price. The commitment shall include all supporting documents including, but not limited to, recorded declarations, use restrictions and annexation agreements. If the Title Commitment discloses any conditions, restrictions, liens, encumbrances, easements or covenants which in the Buyer's reasonable opinion would adversely affect the Buyer's intended use, Buyer shall notify the Seller in writing within prior to the expiration of the Due Diligence Period (as defined below) of such matters ("Title Objection Notice"), and the Seller shall have thirty (30) days from the date it receives the Title Objection Notice (the "Cure Period") to (i) cure those defects that it elects to cure, provided Seller shall have no obligation to cure any matters objected to in the Title Objection Notice except for monetary liens, which the Seller shall satisfy at or before Closing, and (ii) cause the Title Company to furnish an updated Title Commitment showing such defects cured or removed. If all defects set forth in the Title Objection Notice are not cured within the Cure Period, the Parties may either agree to extend the initial thirty (30) day Cure Period, or the Buyer may, at its option, within ten (10) business days following the initial thirty-day Cure Period terminate this Agreement by written notice to the Seller.

6. Limited Representations and Warranties; AS-IS Condition. Except as otherwise provided in this Agreement, the Buyer shall purchase the Property in "AS-IS, WHERE-IS" condition and "with all faults," and shall agree that it relied upon no warranties, representations or statements by the Seller, its agents or employees, in entering into this Agreement or in closing the transaction described therein. The Buyer's Closing on the acquisition of the Property shall constitute conclusive evidence that the Buyer is satisfied with the condition of and title to the Property.

7. Due Diligence Period.

a. The Buyer shall have thirty (30) days after execution of this Agreement by the Parties ("Due Diligence Period") to review, test and inspect all aspects of the Property, at its sole cost and expense, subject to the provisions of this Section 7. In the event said review, inspections or tests disclose matters which would make the Property unsuitable for the Buyer's intended use, the Buyer may terminate this Agreement by written notice to the Seller prior to the expiration of the Due Diligence Period. If the Buyer does not provide written notice terminating this Agreement on or prior to the thirtieth (30th) day of the Due Diligence Period, this Agreement shall remain in full force and effect, the Buyer shall accept the Property as-is, and the Parties shall proceed to Closing.

b. Notwithstanding the foregoing, the Buyer may not perform any Phase 2 Environmental Site Assessment or any testing of the air, soil or water at the Property without the prior written consent of the Seller, which consent may be withheld in Seller's sole discretion.

c. Should the Buyer desire to waive its contingencies under this Agreement and close prior to the end of the Due Diligence Period, the Buyer may provide the Seller with written notice of its intent to do so. The provision of such notice by the Buyer shall not affect the covenants and Closing requirements contemplated in this Agreement, except that the Closing shall occur on or before fifteen (15) days from the date the Seller receives such notice, unless the Parties agree in writing to another date.

d. The Due Diligence Period in this Agreement may be extended only upon written agreement of the Parties.

8. Access to the Property.

a. The Buyer and the Buyer's authorized agents, contractors, and engineers shall be permitted access to the Property for the purpose of conducting inspections and testing, including but not limited to, including a Phase 1 or 2 Environmental Site Assessment report ("ESA") and related testing, soils testing and any other inspections or testing deemed necessary by the Buyer and approved by Seller as set forth in Paragraph 7(b). Access shall be at reasonable times with at least forty-eight (48) hours advance notice to the Seller.

b. In the event Buyer's Phase 1 ESA recommends a Phase 2 ESA, and the Seller consents as set forth in Paragraph 7(b), the Buyer may notify the Seller in writing of its desire to extend the Due Diligence Period if necessary to conduct such investigation. If the Parties are unable to agree on an extension of the Due Diligence Period, the Buyer may declare this Agreement null and void by providing written notice of termination to the Seller prior to the expiration of the Due Diligence Period. In no event shall the Seller be required to cure any matter to which the Buyer objects relating to the condition of the Property or any improvements located thereon. The Buyer shall repair, at its sole cost and expense, all damages caused by any of its assessments and inspections so that the condition of the Property is returned to as good or better condition as existed prior to the assessment(s) and inspections, which obligation shall survive any termination of this Agreement.

c. Seller may have one or more representatives present during any period of access by the Buyer or the Buyer's agents. The Buyer and the Buyer's agents shall follow the Seller's reasonable safety and welfare rules during any period of access to the Property.

9. Title Insurance. Seller shall order a Title Commitment from the Title Company as set forth in Paragraph 5(b) of this Agreement, and any objections to matters shown on the Title Commitment shall be addressed as set forth in Paragraph 5(b).

10. Survey. Any survey of the Property including, but not limited to, an ALTA/NSPS Land Title Survey that meets the Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys effective February 23, 2021 that is required to eliminate all survey related exceptions to the title insurance policy, certified as of a current date in favor of the Buyer

and the Title Company providing the title insurance described in Paragraph 9 shall be at the sole cost and expense of the Buyer. Any objections by the Buyer to matters shown in any such survey shall be delivered by the Buyer to the Seller in a written notice on or before the expiration of the Due Diligence Period, provided the Seller shall have no obligation to cure any such objections.

11. Commissions. The Seller represents that it has not entered into any contracts with any brokers or finders nor has the Seller obligated itself to pay any real estate commissions or finders' fees on account of the execution of this Agreement or the close of the transaction contemplated therein. The Buyer represents that it has not entered into any contracts with any brokers or finders nor has the Buyer obligated itself to pay any real estate commissions or finders' fees on account of the execution of this Agreement or the close of the transaction contemplated therein. The provisions of this Paragraph 11 shall survive any expiration or termination of this Agreement and shall not merge into any deed delivered and accepted upon the closing of the transaction therein contemplated.

12. Closing.

a. Subject to the outside date set forth in Paragraph 13(d)(4), closing ("Closing" or the "Closing Date") shall occur on or before fifteen (15) days from; (a) the expiration of the Due Diligence Period; or (b) the date of the Seller's receipt of notice from the Buyer requesting an earlier date of Closing; or (c) such other date agreed to in writing by the Parties, either in escrow or at the office of the Title Company issuing the commitment for title insurance, unless the Parties agree in writing to an alternate Closing location.

b. The Seller agrees to execute and deliver to the Buyer at or before Closing the Deed, conveying the Property to the Buyer free and clear from all liens and encumbrances, excepting the following: Municipal and zoning ordinances and agreements entered under them; recorded easements for the distribution of utility, municipal services; and other encumbrances agreed to by the Buyer.

c. The Buyer shall pay all recording/filing fees except that the Seller shall pay the recording/filing fees for such documents as are required to be recorded/filed in order to cause title to the Property to be in the condition called for by this Agreement.

d. Real estate taxes, if applicable, in the year of Closing shall be prorated between the Buyer and the Seller as of the date of Closing based upon the latest known assessment and latest known mill rate.

e. The Seller shall be responsible for the payment of any existing special or area assessments, sewer interceptor charges, or any other charges payable to any municipality or utility with regard to the Property as of the date of Closing.

f. The Seller shall pay any fees related to the Wisconsin Real Estate Transfer fee.

g. The Title Company shall prepare and deliver at Closing the Wisconsin Transfer Return due in connection with conveyance of the Property.

h. All costs charged by the Title Company to facilitate Closing shall be prorated between the Parties.

i. Prior to Closing, the Buyer shall obtain authorization from the City of Madison Common Council for the approval and execution of this Agreement by the Buyer.

13. Representations, Covenants, and Conditions. The City hereby acknowledges Seller's desire to remain in occupation of the Property following Closing on substantially the same terms described in Exhibit B (the "Post-Closing Lease").

a. Seller Representations. Seller represents and warrants to Buyer as follows:

i) No Prior Right to Purchase. No other party has any option, right of first refusal agreement with respect to the purchase or sale of the Property.

ii) No Adverse Possessors. There are no parties in possession of any portion of the Property as tenants at sufferance or trespassers.

iii) No Lessees. The Seller represents that the Property is not leased or occupied by any third party and the Seller agrees that it shall not enter into any lease or rental agreement for the Property, or any portion thereof, during the Buyer's Due Diligence Period, as described in Paragraph 7, and through the date of Closing, without the prior written consent of the Buyer.

iv) The Seller has not received any uncured notice that the Property is currently in violation of any applicable statutes, ordinances, codes, and rules and regulations of any governmental authority having jurisdiction over the Property.

v) There are no actions, suits, proceedings or claims pending or, to the best of Seller's knowledge, threatened with respect to or in any manner affecting any of the Property or the ability of the Seller to consummate the transaction contemplated by this Agreement.

vi) There are no threatened condemnation or similar proceedings affecting any of the Property and, to the best of Seller's knowledge, no such proceeding is contemplated by any governmental authority.

vii) The entering into and consummation of the transactions contemplated hereby will not conflict with or, with or without notice or the passage of time or both, constitute a default under, any contract, lease or other agreement, including, without limitation, the contracts to which Seller is a party or by which Seller may be bound or any law, rule, license, regulation, judgment, order or decree governing or affecting Seller or the Property.

b. Operation of the Property. Until the earlier of the Closing or the termination of this Agreement, Seller shall:

i) Not do anything, or permit anything to be done, that would impair or modify the status of title as shown on the Title Commitment other than releasing liens and curing any title matters that the Seller elects to cure under Paragraph 5(b); provided the foregoing shall not prevent the Seller from granting any new easement or other title matter required by any governmental authority or organization that has condemnation authority.

ii) Maintain the Property in the same manner as immediately prior to the Effective Date, reasonable wear and tear excepted.

iii) Not enter into any contract that, following Closing, will be binding upon Buyer or the Property without, in each instance, obtaining the prior written approval of Buyer.

iv) Not cause or permit transfer, conveyance, sale, grant of easement, assignment, pledge, mortgage, or encumbrance of any of the Property.

c. Advise Buyer. Until the earlier of the Closing or the termination of this Agreement, Seller shall notify City in writing promptly upon learning or receiving notice of:

i) Any violation of any law, ordinance, regulation or law that would or might materially affect any of the Property.

ii) Any pending or threatened litigation that affects any of the Property or that could affect the transaction contemplated hereby.

d. Conditions. City shall not be obligated to close the transaction contemplated hereunder unless each of the following conditions shall be satisfied on the Closing Date.

i) The Title Company shall issue (or commit unconditionally to issue) to the Buyer an owner's policy of title insurance in the condition called for in this Agreement.

ii) The representations and warranties of Seller in this Agreement shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as though such representations and warranties had been made on and as of the Closing Date.

iii) Seller shall have performed all covenants and obligations and complied with all conditions required by this Agreement to be performed or complied with by Seller on or before the Closing Date.

iv) Notwithstanding any extension of the Due Diligence Period or the fifteen (15) day period set forth in Paragraph 12(a), Closing must occur on or before May 13, 2026. If Closing does not occur on or before said date, then the Buyer may choose to exercise any of its options outlined in Subparagraph 13(f), and the Buyer's obligation to close shall be conditioned upon the City of Madison Common Council authorizing a budget amendment allowing for the Buyer's purchase of the Property.

e. Notwithstanding anything to the contrary set forth elsewhere herein, each Party's obligation to proceed with the closing of the transaction contemplated by this Agreement is conditioned upon the simultaneous execution of the Post-Closing Lease.

f. If any condition specified herein is not satisfied on or before the Closing, then at Buyer's option, (a) Buyer may waive such condition either at the time originally established for Closing or at any time thereafter, or (b) Buyer may terminate this Agreement by written notice thereof to Seller, either at the time originally established for Closing.

14. Miscellaneous.

a. No Obligations to Third Parties. Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the Parties hereto, to any person or entity other than the Parties.

b. Benefit and Burden. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, personal representatives, successors, and assigns.

c. Entire Agreement. This Agreement contains the entire agreement between the Parties and any modification, alteration or addendum to this Agreement shall be valid only when written and executed by the Parties.

d. Counterparts and Transmittal of Signatures. This Agreement may be executed in one or more counterparts, and all such executed counterparts shall constitute the same Agreement. A signed copy of this Agreement transmitted by facsimile electronic scanned copy (.pdf) or similar technology and shall be as valid as original. This Agreement may be converted into electronic format and signed or given effect with one or more electronic signature(s) if the electronic signature(s) meets all requirements of Wis. Stat. ch. 137 or other applicable Wisconsin or Federal law. Executed copies or counterparts of this Agreement may be delivered by facsimile, email or similar technology and upon receipt will be deemed original and binding upon the Parties, whether or not a hard copy is also delivered. Copies of this Agreement, fully executed, shall be as valid as an original.

e. Severability. If any non-material part, paragraph, or article of this Agreement is determined to be invalid, or otherwise unenforceable, the validity of all the remaining parts, paragraphs, and articles shall not be affected thereby. Any such non-material parts, paragraphs, or articles shall be deemed severable.

f. Choice of Law, Venue, and Forum Selection. This Agreement shall be governed by and construed, interpreted, and enforced in accordance with the laws of the State of Wisconsin, without regard to conflict of law principles. For any claim or suit or other dispute relating to this Contract that cannot be mutually resolved informally, the venue shall be Dane County, Wisconsin, and the parties agree to submit themselves to the jurisdiction of a court of competent jurisdiction in said venue, to the exclusion of any other forum that may have jurisdiction over such a dispute according to any law.

g. Headings. The headings in this Agreement will be for reference purpose only and shall not in any way affect the meaning or interpretation herein.

15. Seller Contingency. Seller's obligation to conclude the transaction contemplated by this Agreement shall be contingent upon obtaining the approval of the Board of Directors, The Salvation Army, Territorial Headquarters, Hoffman Estates, Illinois. If Seller does not terminate this Agreement within twenty-eight (28) days after the Effective Date by Seller sending written notice to Buyer within such period, then this contingency shall be deemed waived and satisfied. If Seller terminates this Agreement within the time period provided, then this Agreement shall be deemed null and void and neither party shall have any further obligations to the other hereunder.

[Signature pages to follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date first above written.

BUYER: CITY OF MADISON

By:_____ Date:_____

Name: Satya Rhodes-Conway
Title: Mayor

By:_____ Date:_____

Name: Lydia A. McComas
Title: City Clerk

Approved:

_____ _____
David Schmiedicke, Finance Director Date

Approved:

_____ _____
Eric Veum, Risk Manager Date

Approved as to form:

_____ _____
Michael Haas, City Attorney Date

Execution of this Agreement by the City of Madison is authorized by Resolution Enactment No. RES-26-_____, File I.D. No. _____, adopted by the Common Council of the City of Madison on the _____day of _____ 2026.

Drafted by the City of Madison Office of Real Estate Services Project No. 10379

Signatures continue on the following page

SELLER: The Salvation Army

By:_____ Date:_____
(Signature)

By:_____
(Print name and title)

By:_____ Date:_____
(Signature)

By:_____
(Print name and title)

State of Illinois)
) ss.
County of Cook)

Personally came before me this _____ day of _____, 2026, the above named _____(name), _____(title) and _____(name), _____(title), each acting in said capacity and known by me to be the person(s) who executed the foregoing instrument and acknowledged the same.

_____
Notary Public, State of Illinois

_____
(print or type name)

My Commission expires:_____

EXHIBIT A
Legal Description of the Property

LOT 2 OF CERTIFIED SURVEY MAP 7652, RECORDED NOVEMBER 15, 1994 IN VOLUME 40, PAGES 47-49 AS DOCUMENT NO. 2645258 AND BEING CORRECTED BY AFFIDAVIT RECORDED JUNE 10, 1996 IN VOLUME 33141, PAGE 73 AS DOCUMENT NO. 2799665, BEING LOCATED IN THE NORTHEAST ¼ AND NORTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 5, TOWNSHIP 7 NORTH, RANGE 10 EAST, CITY OF MADISON, DANE COUNTY, WISCONSIN, BEING OUTLOT A, LOTS 1-4 AND 9-19 EXCEPT THE NORTHERLY 5 FEET OF LOTS 16-19, ALL IN DARBO'S ADDITION.

EXCEPTING THEREFROM THAT PORTION OF LAND CONVEYED IN WARRANTY DEED RECORDED IN DOCUMENT NO. 4229987 AND FURTHER EXCEPTING THEREFROM THAT PORTION OF LAND CONVEYED IN INSTRUMENT RECORED IN DOCUMENT NO. 5424962.

Tax Parcel Number: 251/0710-052-1005-1
Address: 3030 Darbo Drive

EXHIBIT B
Form of Post-Closing Lease

37470068.5

Department of Planning & Community & Economic Development
Economic Development Division
Matthew B. Mikolajewski, Director

P.O. Box 2983
Madison, Wisconsin 53701-2983
Phone: (608) 266-4222
Fax: (608) 261-6126
www.cityofmadison.com

Office of Real Estate Development

To: **Common Council**

From: **Office of Real Estate Development**

Date: **March 16, 2026**

Subject: **Darbo Neighborhood Redevelopment – Salvation Army Site Acquisition (3030 Darbo Dr)**

DPCED staff are evaluating several sites in the Darbo-Worthington-Starkweather neighborhood as potential acquisition targets for eventual redevelopment for City, CDA, or nonprofit uses, consistent with the 2017 neighborhood plan for the area. In particular, the Salvation Army property at 3030 Darbo Drive has emerged as the most likely site for City acquisition in the near-term.

First, the acquisition would allow the City to support a longstanding nonprofit community service partner in Salvation Army, in turn facilitating its ongoing Shield shelter and supportive housing development project on East Washington Avenue. Salvation Army leadership has indicated that its new administrative offices in that project may not be ready for occupancy until at least 2027, necessitating a leaseback arrangement of at least two years at the Darbo site and thus delaying redevelopment or repurposing the site in the interim.

By utilizing the Land Banking Fund to fund most of the acquisition cost, the City may choose to self-develop or offer the property for lease or sale to a community agency. The City adopted a Land Banking Policy in June 2021 that prioritizes land purchases facilitating affordable housing, community and economic development projects, and related neighborhood stabilization and blight reduction objectives, all of which would be accomplished through site control and eventual redevelopment of the Darbo Drive site.

In determining the long-term use of the property, the City will give priority to uses by organizations that have established relationships with, or experience serving, residents within the Darbo neighborhood, or members of marginalized communities that are represented in the neighborhood. The purchased property could be used as a community center and/or to house agency activities or programming that support neighborhood residents and underserved or marginalized populations more generally.

Since 2023, City staff have been working with a grassroots group of Darbo-area nonprofits led by Mentoring Positives, Just Dane, and the African Center, who collectively wish to develop a new community hub for offices, classrooms, childcare services, recreation, and other community development purposes. The group's concept, informally known as the Darbo Dream Center, includes an ask of the City to provide a parcel of land suitable for a mixed-use building of approximately 80,000 square feet, and perhaps additional capital and/or operating support for the project.

Acquisition of the Salvation Army site will provide that organization with flexibility and capital to complete its development objectives while the Darbo Dream group continues its planning and fundraising efforts. Site control would also allow the City the flexibility to resell the site for new construction, lease the existing building to Darbo Dream or another group for community programming, or to retain the site for affordable housing development - perhaps even a CDA-led project as a replacement for the nearby Webb-Rethke public housing site.

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Development • Litigation Support

APPRAISAL REPORT

THE SALVATION ARMY OF DANE COUNTY HEADQUARTERS

A 112,060± square foot site (2.57± acres) improved with a multi-purpose office/chapel building with an attached gymnasium

Located at:
3030 Darbo Drive
Madison, Wisconsin 53714

PREPARED FOR

THE SALVATION ARMY SERVICES, INC.
c/o Michael Sjogren, Major
Area Coordinator
The Salvation Army of Dane County
5550 Prairie Stone Parkway
Hoffman Estates, Illinois 60192

PREPARED BY

Andrew G. Bussen, MAI
Robert Anderson
BUSSEN COMPANY
2001 West Beltline Highway
Suite 101
Madison, Wisconsin 53713
(608) 310-7570

abussen@bussencompany.com

BUSSEN COMPANY
Commercial Real Estate
Appraisal and Consulting

2001 W. Beltline Hwy
Suite 101
Madison, WI 53713
608.310.7575

www.bussencompany.com

June 6, 2025

The Salvation Army Services, Inc.
c/o Michael Sjogren, Major
Area Coordinator
The Salvation Army of Dane County
5550 Prairie Stone Parkway
Hoffman Estates, Illinois 60192

RE: APPRAISAL OF THE SALVATION ARMY OF DANE COUNTY HEADQUARTERS
A 112,060± square foot site (2.57± acres) improved with a multi-purpose office/chapel building with attached gymnasium
3030 Darbo Drive
Madison, Wisconsin 53714

Dear Michael:

As requested, the above-captioned property has been valued using generally accepted appraisal principles and practices. This appraisal is presented in an Appraisal Report format. It is intended to comply with the appraisal development and reporting requirements set forth under Standard 1 and Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP). The appraisal process has also been developed consistent with the terms of the engagement for this assignment.

PROPERTY DESCRIPTION

The subject property is located along Darbo Drive on the east side of Madison. In addition, the property is one block southeast of East Washington Avenue. According to public records, the parcel contains 112,060± square feet or 2.57± acres. The property is zoned CC-T (Commercial Corridor – Transitional District) as per the City of Madison. The property is owned by The Salvation Army.

The property is currently improved with the headquarters for The Salvation Army of Dane County. The building consists of three separate buildings that have been connected or added over time. The southwest section of the building was reportedly originally built as a grocery store and was constructed between 1957 and 1968 based upon historical aerial images from the Dane County GIS. This portion of the building includes a variety of uses including numerous offices, four classrooms, a chapel, activity room, computer lab, kitchen, dining/multi-purpose room, multiple restrooms and storage rooms. This portion of the building also contains a partial unfinished basement used for storage.

The northwest section of the building was reportedly originally built as a liquor store and constructed between 1957 and 1968 based upon historical aerial images from the Dane County GIS. This portion of the building includes the former food pantry space (currently used as storage), a walk-in freezer and refrigerator, a few offices and one set of restrooms. This building also contains a full, finished basement that was formerly used as a daycare.

The east section of the building is a gymnasium that was constructed between 1995 and 2000 based upon historical aerial images from the Dane County GIS. This portion of the building includes a gymnasium, locker rooms, fitness room, a few offices and storage space.

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PROPERTY DESCRIPTION - CONTINUED

The aggregate building is one-story and contains 38,617± square feet of gross building area above grade. In addition, the building contains a partial basement that contains 16,206± square feet of gross building area. The building areas are based upon our physical measurements and building plans provided. The site appears to contain roughly 70 surface parking stalls. However, it is noted that the striping for a large portion of the parking stalls is not visible.

It is noted that the building experienced significant water damage after a pipe burst around three years ago. This included the flooding of the gymnasium and surrounding areas and part of the basement. In addition, the concrete walkway and stairs outside of the gymnasium were damaged. As a result, a new water line was installed. In addition, the drywall and flooring in the gymnasium and surrounding areas was replaced. The cost of repairs related to this event were reportedly $531,644.

APPRAISAL PREMISES AND VALUATION SCENARIOS DEVELOPED

Consistent with the terms of engagement for this assignment, this appraisal provides an opinion of market value of the fee simple interest in the subject property on an “as-is” basis. The effective date of the appraisal is May 14, 2025, which coincides with the date of physical inspection by Andrew G. Bussen, MAI and Robert Anderson.

Our concluded opinion of value is summarized as follows:

CONCLUDED OPINION OF VALUE

Market Value Scenario	Effective Date of Value	Opinion of Value
As-Is Fee Simple Market Value	May 14, 2025	$3,000,000

If any questions arise concerning this report, please do not hesitate to contact the undersigned.

Sincerely,

BUSSEN COMPANY

Andrew G. Bussen, MAI
Wisconsin Certified General Appraiser #657

Robert Anderson
Wisconsin Certified General Appraiser #2393

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ADDENDA

Property Information from Public Records
Appraiser License and Qualifications

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EXECUTIVE SUMMARY

PROPERTY NAME: The Salvation Army of Dane County Headquarters

PROPERTY LOCATION: 3030 Darbo Drive
Madison, Wisconsin 53714

PARCEL NUMBER: 0710-052-1005-1

PROPERTY DESCRIPTION: The subject property is located along Darbo Drive on the east side of Madison. In addition, the property is one block southeast of East Washington Avenue. According to public records, the parcel contains 112,060± square feet or 2.57± acres. The property is zoned CC-T (Commercial Corridor – Transitional District) as per the City of Madison. The property is owned by The Salvation Army.

The property is currently improved with the headquarters for The Salvation Army of Dane County. The building consists of three separate buildings that have been connected or added over time. The southwest section of the building was reportedly originally built as a grocery store and was constructed between 1957 and 1968 based upon historical aerial images from the Dane County GIS. This portion of the building includes a variety of uses including numerous offices, four classrooms, a chapel, activity room, computer lab, kitchen, dining/multi-purpose room, multiple restrooms and storage rooms. This portion of the building also contains a partial unfinished basement used for storage.

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The east section of the building is a gymnasium that was constructed between 1995 and 2000 based upon historical aerial images from the Dane County GIS. This portion of the building includes a gymnasium, locker rooms, fitness room, a few offices and storage space.

The aggregate building is one-story and contains 38,617± square feet of gross building area above grade. In addition, the building contains a partial basement that contains 16,206± square feet of gross building area. The building areas are based upon our physical measurements and building plans provided. The site appears to contain roughly 70 surface parking stalls. However, it is noted that the striping for a large portion of the parking stalls is not visible.

It is noted that the building experienced significant water damage after a pipe burst around three years ago. This included the flooding of the gymnasium and surrounding areas and part of the basement. In addition, the concrete walkway and stairs outside of the gym were damaged. As a result, a new water line was installed. In addition, the drywall and flooring in the gymnasium and surrounding areas was replaced. The cost of repairs related to this event were reportedly $531,644.

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OWNER OF RECORD: The Salvation Army

PREMISE OF VALUE: As-Is

INTEREST APPRAISED: Fee simple

EFFECTIVE DATE OF VALUE: May 14, 2025

DATE OF REPORT: June 6, 2025

HIGHEST AND BEST USE:

AS IF VACANT: Development of the site with a multi-family residential use. A government subsidized residential project for low income tenants, such as Section 42 tax credit housing is an acceptable alternative for the subject site as if vacant. In addition, a senior housing development is also a potential use of the site.

AS IMPROVED: Continued use as The Salvation Army of Dane County Headquarters. Other potential alternative highest and best uses as improved could include a church, school or community center use.

VALUE INDICATIONS AND CONCLUDED OPINION OF VALUE:

VALUE INDICATIONS

Valuation Approach	Effective Date of Value	Value Indication
Underlying Land Value	May 14, 2025	$1,175,000
Less: Estimated Demolition Costs:		($450,000)
"As-Is" Value as a Redevelopment Site (Rounded)	May 14, 2025	$725,000
Sales Comparison Approach	May 14, 2025	$3,000,000

CONCLUDED OPINION OF VALUE

Market Value Scenario	Effective Date of Value	Opinion of Value
As-Is Fee Simple Market Value	May 14, 2025	$3,000,000

Please note that the value opinions concluded in this appraisal are subject to various **Extraordinary Assumptions.** For further detail, please refer to the Assumptions and Limiting Conditions section.

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REPORT ORGANIZATION

This report is designed to inform the reader of all factors influencing the property's value in a clear and concise manner. The **Executive Summary** and **Premise of the Appraisal** sections provide an overview of the property and general information. The **Descriptive** sections starts with general regional issues and proceeds to more specific issues directly related to the property. The **Highest and Best Use** section establishes the marketability of the subject and premise upon which the property is valued.

The **Valuation Section** develops the sales comparison approach to value. This section includes comparable information, application of market information to the subject and valuation analysis.

PURPOSE, INTENDED USE AND INTENDED USER(S) OF THE APPRAISAL

The **purpose** of this appraisal is to provide an opinion of **market value** for the **fee simple interest** in the subject property on an "as-is" basis. The **intended use** is for internal use and reporting requirements related to the potential negotiation and sale of the property. The **intended user/client** is The Salvation Army of Dane County.

Without prior written approval from the appraisers, the use of this report is limited to the intended use stated above. All other uses are expressly prohibited. Reliance on this report by anyone other than the client for a purpose not set forth above is prohibited. The appraisers' responsibility is limited to the client.

DEFINITIONS

MARKET VALUE is defined by The Appraisal Foundation's Uniform Standards of Professional Appraisal Practice (USPAP) as "a type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the value definition that is identified by the appraiser as applicable in an appraisal."

Therefore, complying with USPAP, and per the Letter of Engagement, my working definition of market value is taken from Part 323.2(h) of FDIC Rules and Regulations, presented as follows:

> "The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
>
> a. Buyer and seller are typically motivated.
> b. Both parties are well informed or well advised and acting in what they consider their own best interests.
> c. A reasonable time is allowed for exposure in the open market.
> d. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
> e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

This definition is taken from regulations published by several Federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990. These agencies include the

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Federal Reserve System (FRS), the National Credit Union Administration (NCUA), the Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of the Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the *Interagency Appraisal and Valuation Guidelines*, dated October 24, 1994.

EXTRAORDINARY ASSUMPTION[1]

"An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis."

PROPERTY RIGHTS APPRAISED

As requested by the client, the property rights appraised are those associated with the fee simple interest. **Fee simple estate** is defined in The Dictionary of Real Estate Appraisal, 6th Ed. (2015) as:

> "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

LEGAL DESCRIPTION

A current title insurance policy was not available to verify the complete legal description of the property. Therefore, this appraisal is subject to verification of the legal description if/when a current title insurance policy becomes available. Based upon information obtained from public records, the abbreviated legal description for the subject parcel is summarized as follows:

PARCEL #: 251/0710-052-1005-1

CERTIFIED SURVEY MAP NO 7652 RECORDED IN DANE COUNTY REGISTER OF DEEDS IN VOL 40 PAGE 47 OF CERTIFIED SURVEYS EXCEPT THAT PART AS DESC IN PARCEL 1, TRANSPORATION PROJECT NO. 53W0348-4.01; LOT 2, EXCEPT THAT PART CONVEYED IN DOC 5424962 FOR NEW PUBLIC CITY STREET.

OWNERSHIP AND SALES HISTORY

Research of public records indicates that The Salvation Army is the owner of record of the subject property. There have not been any arm's-length transfers of the subject property within the three-year period immediately preceding the acceptance of this assignment. In addition, the property is not known to be actively marketed for sale. However, the City of Madison is reportedly interested in purchasing the property for use as a community center.

Although not currently part of the subject property, it is noted that the City of Madison acquired part of the former subject parcel for the construction of Richard Davis Lane. The City acquired 37,312± square feet or 0.86± acres for $474,142 via Warranty Deed #5424962 recorded at the Dane County Register of Deeds on July 13, 2018. It is noted that this price also included a temporary limited easement over an additional 5,167± square feet or 0.12± acres. In addition, the price may have included additional compensation for any improvements (parking lot, landscaping, etc.) on the property at the time of sale and any loss of value to the remaining property. However, this is noted for reference purposes as part of the most recent sales history of the property.

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DATE OF INSPECTION, EFFECTIVE DATE OF VALUE AND DATE OF REPORT

Andrew G. Bussen, MAI, and Robert Anderson inspected the subject property on May 14, 2025, which coincides with the effective date of value. Michael Sjogren, ownership representative, was present and provided the property tour and relevant information. The date of issuance of the report is June 6, 2025.

EXPOSURE TIME[1]

According to USPAP, exposure time is defined as:

> "An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal."[1]

Exposure time is best established upon the experience of recent comparable sales. In the final analysis, it is the appraisers' opinion that if the property is appropriately priced and marketed, an exposure time of **6 to 18 months** or possibly longer is supported.

We have tracked the sales of several church, school and community center properties similar to the subject property. Seven of these sales including three of the comparable sales utilized in the sales comparison approach indicated "days on market" ranging from 77 to 549 days with an average of 292 and median of 321 days. These figures provide additional support for the aforementioned estimate of exposure time. The exposure time is projected to be longer than other property types due to the perceived limited number of potential users for the property based upon the concluded highest and best use.

ASSESSMENT AND TAX INFORMATION

The subject property is owned by a tax-exempt entity and does not have an assessed value.

COMPLIANCE AND COMPETENCY PROVISION

We are aware of the compliance and competency provisions of USPAP, and within our understanding of those provisions the authors of this report comply with all mandatory requirements. Andrew G. Bussen, MAI, a Certified General Appraiser in the State of Wisconsin (#657) and Robert Anderson, a Certified General Appraiser in the State of Wisconsin (#2393) inspected the subject property and conducted the primary research, analysis, and writing of the appraisal report.

This is an Appraisal Report that is intended to comply with the development and reporting requirements set forth under Standard 1 and Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice (USPAP). This appraisal has also been prepared in accordance with the terms of the engagement letter for this assignment.

DISCLOSURE OF PREVIOUS APPRAISAL AS PER USPAP

USPAP also requires appraisers to disclose any prior services related to the subject property within the three-year period immediately preceding acceptance of this assignment. Bussen Company issued an appraisal of the subject property to subject ownership on April 6, 2023.

1 Uniform Standards of Professional Appraisal Practice, Appraisal Standards Board of The Appraisal Foundation

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SOURCES OF INFORMATION

The following sources were contacted to obtain relevant information:

SOURCE	INFORMATION
Michael Sjogren (Salvation Army)	Subject information & property tour
City of Madison	Subject and comparable information
Dane County	Subject and comparable information
Public Records, CoStar, PropertyDrive, LoopNet	Market and comparable sale and rental data
Appraisers' internal files	Market and comparable sale and rental data

APPRAISAL DEVELOPMENT AND REPORTING PROCESS (SCOPE OF WORK)

Preparation of this appraisal included the following actions:

- Inspecting the subject property (see preceding comments regarding the property inspection and the effective date of value).
- Reviewing assessor's property information and other public documents regarding the subject property, together with any property information provided by ownership.
- Reviewing records for information on taxes and assessments from Dane County and the City of Madison.
- Reviewing a Certified Survey Map.
- Inspecting the subject neighborhood.
- Gathering and confirming information on sales and listings involving comparable properties from the local market area, where available, and from competing areas.
- Inspecting the exteriors (and in some cases the interiors) of all the Madison area comparable properties utilized.
- Analyzing supply and demand conditions in the area.

UNAVAILABILITY OF INFORMATION

All information necessary to develop a reliable and credible opinion of value for the subject property was available, with the exception of the lack of availability of a current title insurance policy.

EXTRAORDINARY ASSUMPTIONS

This appraisal has been developed subject to certain **Extraordinary Assumptions**, which are outlined in the next section of this report**.**

PERSONAL PROPERTY, FIXTURES AND INTANGIBLE ITEMS

No personal property, fixtures or intangible items are included in this valuation. The only trade fixtures to be noted include kitchen equipment, most of which appears to be somewhat built-in and would likely not be removed (or only for salvage value), along with chapel and gymnasium-related fixtures.

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GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

The legal description located in the Addenda is assumed to be correct. The analysis assumes that this description accurately represents the subject property.

A current survey has not been provided to the appraiser. If further verification is required, a survey by a registered surveyor is advised.

The only intended user of this appraisal is the client identified herein. There is no other intended user. No purchaser, seller, or borrower are intended users of this report. The fact that some party, other than the client, may have paid for the appraisal, either directly, or indirectly, does not make them an intended user.

No responsibility is assumed for matters legal in character, nor is any opinion rendered as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.

Unless otherwise noted herein, it is assumed that there are no encroachments, zoning violations or restrictive covenants impacting the subject property.

Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.

This report shall be used for its intended purpose only, and by the party to whom it is addressed. Possession of the report does not include the right of publication.

The appraiser may not be required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question unless prior arrangements have been made.

The statements of value and all conclusions shall apply as of the dates shown herein.

This report must be used in its entirety. Reliance on any portion of the report independent of others may lead the reader to erroneous conclusions regarding the property values. No portion of the report stands alone without approval from the author.

The valuation stated herein assumes professional management and operation of the building(s) throughout the lifetime of the improvements, with an adequate maintenance and repair program.

The liability of Bussen Company and employees is limited to the client only and only up to the amount of the fee actually collected by Bussen Company in conjunction with this assignment. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions.

The appraiser is in no way responsible for costs incurred to discover or correct any deficiency in the property. In the case of limited partnerships or syndication offerings or stock offerings in real estate, the client agrees that in case of lawsuit (brought by lender, partner, or part owner in any form of ownership, tenant, or any other party), any and all awards, settlements, or cost, regardless of outcome; the client will hold Bussen Company completely harmless.

The appraiser is not qualified to detect the presence of toxic or hazardous substances or materials that may influence or be associated with the property or any adjacent properties, has made no investigation or analysis as to the presence of such materials, and disclaims any duty

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to note the degree of fault. Bussen Company and its principals, agents, and employees, shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including without limitation, hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gases, waste materials or other irritants, contaminants or pollutants.

The appraiser assumes no responsibility for determining if the subject property complies with the Americans with Disabilities Act (ADA). Bussen Company and its principals, agents, and employees shall not be liable for any costs, expenses, assessments, penalties, or diminution in value resulting from non-compliance. This appraisal assumes that the subject meets an acceptable level of compliance with ADA standards; if the subject were not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be reduced from the reported value conclusion.

The appraiser has been retained to develop an opinion of value for the subject property and is not a property inspector. The “inspection” performed by the appraiser is more of an observation and is not intended to reveal defects in the mechanical systems, plumbing, electrical systems, structural integrity, roofing, or other components of the property and the appraiser does not claim to be an expert in those areas. There could be defects hidden behind floors, wall coverings, inside cabinets or closets or behind furniture or under rugs. It is not the responsibility of the appraiser to perform the kind of inspection designed to find those types of problems, nor would the appraiser have the expertise to detect or diagnose many of those issues even if something was discovered.

This appraisal is not an engineering or environmental inspection report and the appraiser is not acting as an inspector when preparing the report. An expert in this field should be consulted if an analysis of these issues is desired. As part of the visual inspection of the property, the appraiser has not inspected inaccessible areas. The appraiser is not required to disturb or move anything that obstructs access or visibility. The client and any other interested party not only has the right to have the property inspected by professional inspectors but is encouraged to do so.

It is an assumption of this appraisal that there are no adverse soils or subsurface conditions that would preclude the development, or redevelopment, of the subject site. It is therefore assumed that the site is geotechnically suitable for development.

EXTRAORDINARY ASSUMPTIONS

The building sizes utilized were based upon a combination of buildings plans provided and our physical measurements due to some inconsistencies with the building plans. Therefore, this appraisal is based upon the **extraordinary assumption** that the building sizes applied are accurate and representative of the building. The appraisers reserve the right to revisit the conclusions if detailed plans and specifications and/or more verifiable building sizes are provided.

The opinions of value for the subject property as a redevelopment site include our estimated demolition costs for the building. This estimate is based upon known demolition costs of similar buildings. However, we are not demolition experts. Therefore, this appraisal is based upon the **extraordinary assumption** that our estimated demolition costs are a reasonably accurate representation of the costs to make the site ready for redevelopment. The appraisers reserve the right to revisit the conclusions if a demolition bid is provided.

The opinion of value of the underlying land as-if vacant and the “as-is” value as a result of assumed demolition cost estimates (discussed above) assume a typical redevelopment density

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with a multi-family project that is consistent/similar to the properties utilized as comparable land sales, along with assumptions related to various future land use plans and concepts outlined by the City of Madison for the subject property and the surrounding area. However, we have observed that many similar types of redevelopment projects are done with some amount of Tax Increment Financing (TIF) and/or possibly with the use of various types of low interest loans and/or grants from the federal or state level. These types of incentives can impact the prices paid for this type of property. This appraisal is based upon the **extraordinary assumption** that the underlying land value as-if vacant (and the "as-is" value in a redevelopment scenario) are representative of minimal development incentives and are essentially consistent with the definitional components of market value as contained herein.

Acceptance of and/or use of this report constitutes acceptance of all of the foregoing **General Assumptions and Limiting Conditions** and **Extraordinary Assumptions.**

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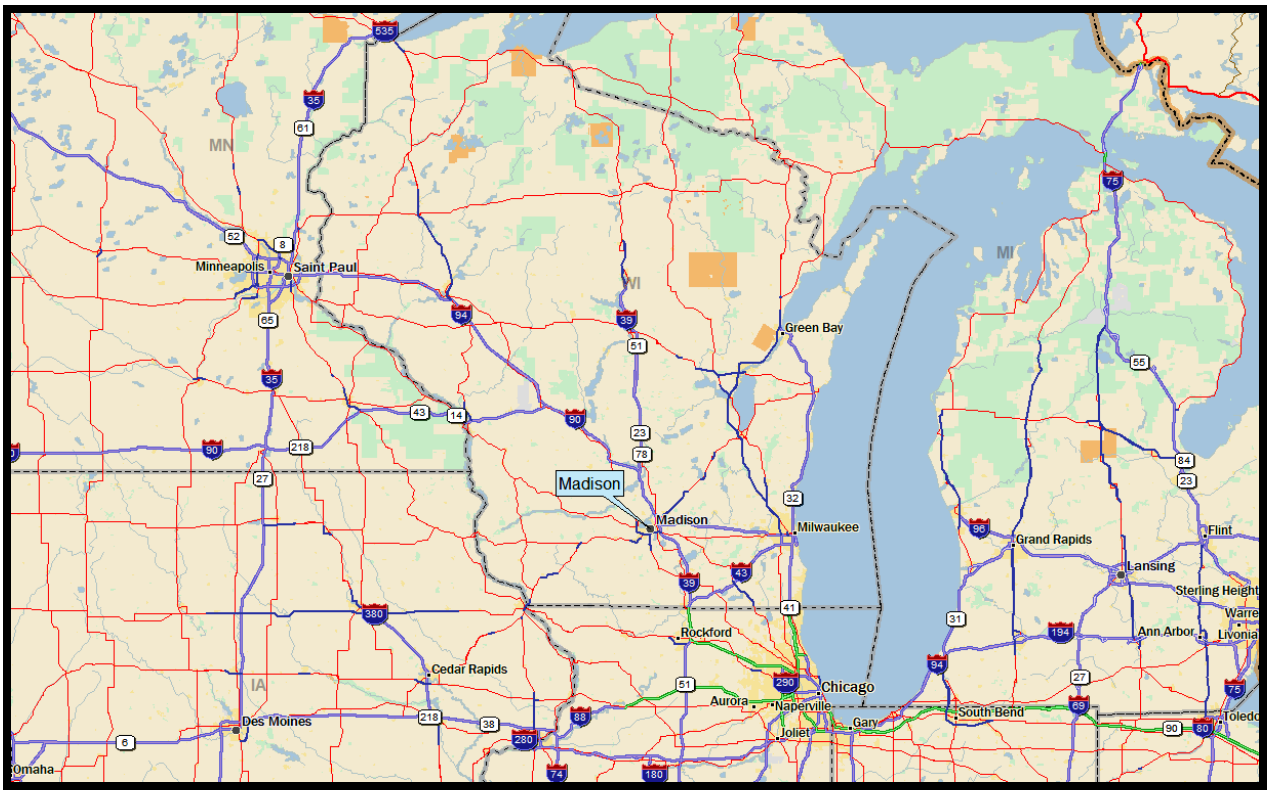
INTRODUCTION

The subject property is located within the City of Madison, Dane County, Wisconsin. The City of Madison, and in particular the subject's immediate area, is heavily dependent upon and directly influenced by metropolitan Madison's surrounds. Therefore, an overview of metropolitan Madison provides a basis for an understanding of the area dynamics insofar as they might affect the subject property. This section will present an overview of metropolitan Madison and its influences that would affect the subject property.

MARKET AREA OVERVIEW: MADISON AREA AND DANE COUNTY

Dane County is located in south central Wisconsin covering approximately 1,200 square miles and containing 27 cities and villages. Outside of Madison and the surrounding communities, Dane County is primarily agricultural in nature. Approximately ½ of the County's population lives outside of Madison, though many residents commute for employment and education.

LOCATION MAP



Madison is Wisconsin's second largest city, the State Capital, home of the University of Wisconsin, and the County Seat for Dane County. It is located in the middle of Dane County and occupies a physically attractive setting on rolling topography set among four major lakes. Nearby cities include Milwaukee (77 miles); Chicago (150 miles); Dubuque (95 miles); Green Bay (132 miles); and Minneapolis (250 miles).

Similar to other metropolitan areas throughout the country, Madison's growth rate has trailed the county growth rate. This is largely due to the relative lack of developable land in Madison compared to neighboring communities and the nationwide trend of people moving to the surrounding towns located near the urban fringe.

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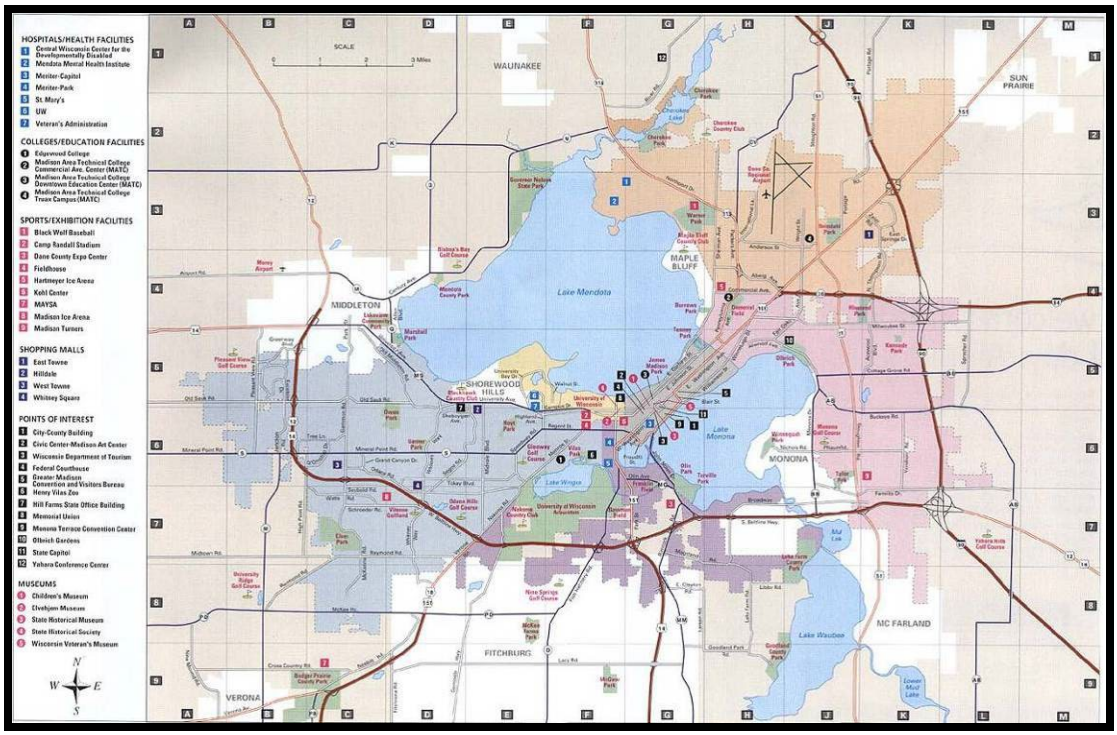
TRANSPORTATION

Madison and Dane County have good transportation linkages to these larger, nearby markets. Madison is located at the hub of a network of federal and state highways serving southern Wisconsin. Routes passing through Madison and Dane County include Interstate Highways 39/90/94; U.S. Highways #12, #14, #18, #51 and #151 and State Highways #19, #30, #69, #73, #78, #92 and #113.

MADISON AREA MAP



Automobile access throughout the Madison area is average. The city lacks an efficient cross-town freeway system. The east-west arterial streets that run through Madison ultimately have to be routed through the Isthmus between Lakes Mendota and Monona. This 10-block-wide stretch of land is densely developed with its earliest construction dating back to the mid-1800s. Therefore, cross-town traffic attempting to travel east-to-west or vice versa through Madison can sometimes experience congestion when going through the *isthmus* area. In order to compensate for this poor traffic pattern, the City of Madison and Dane County constructed the Beltline Highway system to ring the city. The Beltline Highway, around the east, south, and west sides of the city, provides much more efficient traffic circulation in these peripheral areas.

Dane County Regional Airport/Truax Field, an FAA-certified airport owned and operated by Dane County, provides air service to surrounding regions. It is the second largest commercial airport in the State of Wisconsin, second only to Mitchell Field in Milwaukee. Dane County Regional Airport serves nearly 1.7 million commercial passengers each year and has approximately 100 daily commercial flights. Major air carriers include Delta, United, American Eagle, Frontier, and various air-links to international hubs in Minneapolis, Chicago, and Detroit.

Four inter-city bus lines provide daily scheduled services between Madison and major Wisconsin and Midwestern cities. Rail freight service is provided to Madison businesses by the Chicago and Northwestern Railroads, the Soo/Milwaukee Railroad, and the Wisconsin and Southern Railroads. The closest Amtrak passenger rail service is from Columbus, Wisconsin approximately 35 miles to the northeast and Milwaukee, Wisconsin, approximately 75 miles to the east.

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The Madison area has an excellent city-owned bus system that provides the community with a high level of public transit service. The Madison Metro is a national leader in seat-miles per capita provided to its service area. The Madison Metro is designed to service physically disabled persons and has a fringe benefit bus-pass program that offers employers the opportunity to include bus fare as an employee benefit. In 2007, the Madison Metro system added five GM hybrid-electric buses, the first vehicles of their kind to be used in a Wisconsin Transit System. In 2010, fourteen additional hybrid busses were acquired, which now make up 10% of their entire fleet. Additionally, Madison Metro's first new electric busses hit the streets during the summer of 2022. This is part of a plan to convert 50% of its fleet to zero-emission busses by 2025. The city's transportation links, along with the relatively small size of the area, allow for relatively easy commutes to area employment centers.

POPULATION

An analysis of the area's population, including age distribution, employment, and educational levels, indicates past, present, and probable future effects of these demographic changes as they relate to Dane County, the city of Madison, and ultimately the subject property. The overall population base for Madison and Dane County has grown steadily over the past decade. This growth is projected to continue. A population summary for the city of Madison and Dane County are illustrated in the following table.

Area	1980 Census	1990 Census	2000 Census	2010 Census	2020 Census
Madison	170,616	190,766	208,054	233,209	269,840
Dane County	323,545	367,085	426,526	488,073	561,504
Aggregate	N/a	11.81%	9.06%	12.09%	15.71%
Growth/Period	N/a	13.46%	9.78%	14.38%	15.05%

Source: U.S. Census Bureau and Wisconsin Department of Health Services

GOVERNMENT

The City of Madison is the State Capitol of Wisconsin. Dane County includes 8 cities, 19 villages and 34 towns. The City of Madison has over 50 committees, boards, and commissions to assist in the decision-making processes. The County Board has 37 supervisors and a county executive. The Madison Common Council governs the City of Madison and has 20 alder persons and an elected Mayor. The county also has over 65 committees, boards, and commissions to address countywide issues.

City government is directed by the mayor, who is the chief executive officer of the city, and by the Madison Common Council. The City of Madison offers full-service government with full time police and fire protection. In addition to city government, county government has an impact on the area. The county's largest responsibilities are building and maintaining highways and operating welfare programs. In summary, the full range of services offered by the City of Madison and Dane County help foster a more stable environment. This has a positive influence on the subject property.

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EMPLOYMENT SECTOR

Unemployment rates for the Madison area had been steadily declining since 2010 and had remained under 4% since 2014. However, in the wake of the recent COVID-19 pandemic, which has affected the entire nation, Madison has not been immune to substantial increases in unemployment. Dane County had a December 2024 unemployment rate of 2.1% as compared to 2.1% one year prior (December 2023). Similarly, the Madison MSA had a December 2024 unemployment rate of 2.3% (preliminary) as compared to 2.5% in December 2023. For comparison purposes, the state of Wisconsin had a December 2024 unemployment rate of 3.0% (preliminary) as compared to 3.4% in December 2023.

Madison's economic base is generally diversified. Much of the area's historical growth has been attributable to Madison being a governmental center and to the presence of the State's largest university. While government related employment still has a strong influence on the economy, the area's high tech resources and excellent quality of life have attracted numerous private firms, world-class health care and a number of insurance company headquarters. Major private industries in the metro area are medical and insurance related. The Madison area is home to four hospitals and over 100 clinics and urgent care centers. Four insurance companies, including CUNA Mutual, American Family, WPS, and General Casualty (subsidiary of QBE North America) have headquarters in the area, while numerous others have significant offices here, including National Guardian Life, Farm Bureau Life, WEA Insurance Trust and Sentry Insurance. In addition, with the university and two research parks dedicated to research firms, the area is attractive locally, nationally, and globally for firms looking to tap into an excellent, high-tech market.

The largest employers in the Madison area (excluding government entities) are as follows:

No.	Employer	# of Employees (FT/PT)	Product Type or Description
1	UW Health	10,150/6,988	Health care provider
2	Epic Systems Corp.	12,200/0	Health care software developer
3	SSM Health	4,078/1,467	Health care provider
4	Exact Sciences Corp.	2,934/0	Biomedical diagnostics
5	American Family Insurance	2,364/22	Insurance
6	Thermo Fisher Scientific	2,200/0	Clinical research
7	UnityPoint Health-Meriter	820/2,344	Health care provider
8	Stoughton Trailers	1,256	Transportation equipment
9	Promega Corp.	1,194/32	Health care manufacturer
10	TruStage	1,098/18	Insurance
11	Sub-Zero Group	1,101/0	Kitchen appliance manufacturer
12	Hooper Corp.	950/20	Construction, HVAC, Plumbing
13	ETC (Electronic Theatre Controls)	900/23	Lighting/controls manufacturing
14	Findorff	857/2	Construction
15	Zimbrick	804/137	Auto Dealer

Source: *2025 Book of Lists "In Business Madison" magazine*

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GOVERNMENT EMPLOYMENT

Diversity and stability characterize the Madison and Dane County economies. About one-quarter of the greater Madison's workforce or more than 88,100 residents are employed in local, state, and federal government jobs. The State of Wisconsin provides over 30,000 of those jobs. The State is followed by the University of Wisconsin (21,796), the Madison Metropolitan School District (6,545), the Federal Government (5,300), University of Wisconsin-hospitals and clinics (5,122), and University of Wisconsin Medical Foundation (2,150). Government jobs account for the largest percentage of employment (over 25%) in Dane County, followed by services and wholesale and retail trade.

RESEARCH / HI-TECH

High-tech companies have grown rapidly in the area, more than doubling since 1980. Although less visible, manufacturing growth has also been impressive. Overall, the area is not reliant to any one industry and will not be affected by a slump in any particular segment. Companies specializing in high-tech industry are playing an increasing role in the Madison area economy. Biotechnology, medical/biomedical researchers, microelectronics software and other computer-related firms dominate Dane County's research community. These high technology companies include more than 400 businesses and employ more than 22,000 people.

Research activity on the University of Wisconsin-Madison campus is a major stimulus for growth in high-tech industries. The University of Wisconsin-Madison has the highest research budget of any University in the nation related to non-classified research. The University maintains numerous resources for businesses interested in accessing research facilities and programs. Grants, venture capital, and loans are available to help businesses further their research and development goals. Research is taking place in the fields of medicine, genetic engineering, robotics, highway planning, agriculture, aviation and aeronautics, and zoology, among others.

AGRICULTURE

Agriculture plays a role in the area's economy. Dane County Farmers own and manage approximately 66% of the county's land. Diversified farming contributes greatly to Madison's stability and continued prosperity. Dane County ranks first in the state for total value of agricultural products sold, and it ranks fifth for total dairy production within the state. Leading agricultural products include corn, alfalfa, tobacco, oats, eggs, cattle, hogs, and dairy products. Dairy products are the most profitable commodities in Dane County's agricultural sector. Madison is currently making excellent progress toward its goal of becoming the center for the world dairy industry. It now hosts the nation's premier annual dairy event, the World Dairy Expo.

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EDUCATION

Dane County is served by 16 public school districts and 22 private schools. The Madison school district is the largest in Dane County. The University of Wisconsin-Madison is consistently ranked in the top ten of the nation's educational institutions. The University of Wisconsin-Madison is the flagship of the state's university system and plays a major role in both Madison and Dane County. It is a major employer in the area, and it attracts over 40,000 students in its undergraduate, graduate, and specialty schools. The University also attracts businesses and capital with its research in science and engineering.

Madison is also the home of other important state educational programs. Madison Area Technical College (Madison College or MATC) is part of the highly regarded Wisconsin vocation, technical and adult education system. The MATC district encompasses the counties of Dane, Columbia, Jefferson, Sauk, and Marquette, providing instruction for nearly 40,000 students.

RECREATIONAL AND CULTURAL

Dane County and the City of Madison have over 29,000 acres dedicated for public use. The focal point of recreational activities in the Madison area is centered on sporting and cultural functions related to the University of Wisconsin-Madison and the chain of lakes inter-connected by the Yahara River. These lakes include Mendota, Monona, Waubesa, Kegonsa, and Upper and Lower Mud lakes.

Other recreational facilities in Dane County include 15 public golf courses, 182 camping sites, more than 150 miles of hiking trails, over 150 miles of bike trails, public hunting grounds, snowmobile trails, downhill and cross-country skiing facilities, over 50 named lakes, and more than 400 miles of streams and rivers.

The City of Madison is host to the annual Ironman Wisconsin race event, attracting athletes from around the globe. This race features a 2.4-mile swim in Lake Monona, a 112-mile bike ride through rural Dane County, and a 26.2-mile run through downtown Madison. Other activities include the Dane County Farmers Market, the Madison Marathon, the Madison Paddle & Portage, among other events, many of which are centered on the State Capitol concourse and the lakeshore areas.

The Monona Terrace Convention Center, which has been based upon a Frank Lloyd Wright design, draws meetings and conventions locally, regionally, and nationally. This facility is located fronting Lake Mendota off of the Capitol Square concourse. Its construction has fueled greater demand for products, services, and real estate in the downtown area.

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SUMMARY

Madison and the Dane County area have historically been regarded as having a high quality of life and stable economic base. The areas strong economy, employment base, governmental influence, and growing housing market are all indicators of a strong and healthy local economy. Madison has been recognized as a premier location by the following publications:

- Diversitydatakids.com – #1 - Best Places in the U.S. for Raising Children - 2020
- Peopleforbikes.org – #2 - Best Cities for Bikes - 2020
- Zippia.com – #4 - Greenest Cities in the US - 2020
- Livability.com – #3 - Top 100 Places to Live - 2020
- Men's Health – #2 - Happiest Cities in America - 2020
- Money Magazine – #1 - 10 Best Places to Retire in America - 2020
- Livability.com - #1 - Best Places to Live - 2022
- US News & World Report – #6 - Best Places to Live for Quality of Life - 2022
- Government Technology - #6 - Digital Cities Survey – 2022
- CBS News - #15 - Best Places to Live in the US - 2022
- American Fitness Index - #6 - Fittest Cities in America – 2023
- Trust for Public Land - #13 - ParkScore® for 100 Largest US Cities – 2023
- US News & World Report – #14 - Best Places to in the US - 2024
- League of American Bicyclists – Platinum Level Bicycle Friendly Community – 2024

Madison and Dane County's strong economies have had a positive effect on the real estate market as a whole. Occupancy levels for commercial and multifamily properties are considered to be strong, with market rent levels being stable to increasing. The Dane County area has seen some of the lowest vacancy levels and highest rental increases in the state. We expect these economic indicators to remain strong for the foreseeable future.

Dane County is well known for its high quality of life and stable economic base. The Madison area is home to the State Capitol, the University of Wisconsin and several large companies that have created a diversified economy. Overall, the area is not reliant to any one industry and will not be affected by a slump in any particular segment. The highly educated population is continuing its steady growth. Madison's strong economy has had a positive effect on its real estate market. Overall, the long-term prospects for the county and its real estate market conditions are positive.

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INTRODUCTION

The property is located on the east side of the City of Madison. The property is specifically located one block southeast of East Washington Avenue and just south of the State Highway 30/East Washington Avenue interchange. Its common street address is 3030 Darbo Drive.

WORTHINGTON PARK NEIGHBORHOOD

The property is located within the Worthington Park Neighborhood. The neighborhood includes the Worthington Park, Darbo and Blooming Grove (Gallagher) communities on Madison's east side. Residents can utilize the playground and green space in Worthington Park, attend community meetings and walk along the banks of Starkweather Creek or adjacent bike path.

The neighborhood boundaries include Highway 30 to the north, St. Paul Street to Milwaukee Street to the south, and branches of Starkweather Creek to the east and west. A map depicting the subject's location within the neighborhood is presented below.

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LOCATION, LINKAGES AND SURROUNDING LAND USES

The property is located in the southeast quadrant of the intersection of East Washington Avenue and State Highway 30. It benefits from very good access to East Washington Avenue and State Highway 30. State Highway 30 extends to the east approximately three miles and intersects Interstate 90/94, which subsequently provides linkages to larger market areas (including Milwaukee and Chicago). East Washington Avenue is one of the main east/west transportation routes, connecting the downtown area to the east side. This area around the subject property is considered to have some of the highest traffic counts in the Madison area.

The corridor of East Washington Avenue around the subject has undergone renovations since 2011 to include rebuilding the intersection with State Highway 30, updating/upgrading of utilities, infrastructure, lighting, and resurfacing. The Starkweather Creek pedestrian bridge over East Washington Avenue was built in 2008. The layout of the bridge removed part of the frontage road near the Marquette Street and Darbo Drive intersection. This led to the construction of Richard Davis Lane along the subject's western border.

While the area is convenient, the neighborhood is predominantly older and established, with many properties nearing the end of their useful/economic lives. Many properties appear to require significant renovation or replacement, most notably with regard to multi-family properties. Uses immediately surrounding the property include single-family and multi-family residential development and commercial property uses. The most notable use in the neighborhood is the State of Wisconsin Department of Corrections central offices building along the East Washington Avenue/State Highway 30 interchange north of the subject property, which was formerly the American Family Insurance Headquarters.

In addition, approximately one mile to the southwest of the subject property is Union Corners. The Union Corners mixed-use development is located at the intersection of East Washington Avenue and Milwaukee Street. The Union Corners redevelopment launched with a two-story, 60,000 square foot UW Health medical clinic that opened in December 2016. The next phase was called Carbon at Union Corners, which represents a four-story mixed-use project with 90 apartments, 19,000 square feet of first-floor retail and underground parking that was completed in September 2017. The next phase was called Generations at Union Corners, a three-story residential building with 60 mixed-income apartments targeted to "grandfamilies", which opened in December 2018. The final phase of the project is The Nexus, which is four stories and contains 105 apartment units and 17,000 square feet of retail space. This building opened in 2022. A Union Corners site plan is presented below.

A map depicting the subject property and surrounding land uses is shown in the following map.

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NEIGHBORHOOD MAP

AERIAL VIEW OF THE SUBJECT PROPERTY

CONCLUSION

The subject property is located in an older and established area, with a variety of land uses in the immediate vicinity of the property. East Washington Avenue is the main east/west transportation route between Interstate 90/94 on the east side of Madison and the downtown/isthmus area. Overall, the property has good access in an area that is close to 100% built out and should be able to provide positive returns into the foreseeable future.

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PROPERTY DESCRIPTION

The subject property is located along Darbo Drive on the east side of Madison. In addition, the property is one block southeast of East Washington Avenue. According to public records, the parcel contains 112,060± square feet or 2.57± acres. The property is zoned CC-T (Commercial Corridor – Transitional District) as per the City of Madison. The property is owned by The Salvation Army.

The property is currently improved with the headquarters for The Salvation Army of Dane County. The building consists of three separate buildings that have been connected or added over time. The southwest section of the building was reportedly originally built as a grocery store and was constructed between 1957 and 1968 based upon historical aerial images from the Dane County GIS. This portion of the building includes a variety of uses including numerous offices, four classrooms, a chapel, activity room, computer lab, kitchen, dining/multi-purpose room, multiple restrooms and storage rooms. This portion of the building also contains a partial unfinished basement used for storage.

The northwest section of the building was reportedly originally built as a liquor store and constructed between 1957 and 1968 based upon historical aerial images from the Dane County GIS. This portion of the building includes the former food pantry space (currently used as storage), a walk-in freezer and refrigerator, a few offices and one set of restrooms. This building also contains a full, finished basement that was formerly used as a daycare.

The east section of the building is a gymnasium that was constructed between 1995 and 2000 based upon historical aerial images from the Dane County GIS. This portion of the building includes a gymnasium, locker rooms, fitness room, a few offices and storage space.

The aggregate building is one-story and contains 38,617± square feet of gross building area above grade. In addition, the building contains a partial basement that contains 16,206± square feet of gross building area. The building areas are based upon our physical measurements and building plans provided. The site appears to contain roughly 70 surface parking stalls. However, it is noted that the striping for a large portion of the parking stalls is not visible.

COMMENTARY REGARDING WATER DAMAGE

It is noted that the building experienced significant water damage after a pipe burst around three years ago. This included the flooding of the gymnasium and surrounding areas and part of the basement. In addition, the concrete walkway and stairs outside of the gymnasium were damaged. As a result, a new water line was installed. In addition, the drywall and flooring in the gymnasium and surrounding areas was replaced. The cost of repairs related to this event were reportedly $531,644.

EXCESS OR SURPLUS LAND CONSIDERATIONS

The subject property consists of one parcel. However, the majority of the subject improvements are in the middle to western portion of the site. To the east of the building is vacant land, which has frontage along Darbo Drive and Rosemary Avenue. It appears that this area could potentially be used for expansion of the existing building, parking lot or possibly subdivided and sold off and developed separately. However, looking ahead to the next page, it is discussed that the subject's land-to-building ratio is just below typical market parameters. In addition, the subject's parking ratio is below the typical market range as the parking lot was significantly reduced after the construction of Richard Davis Lane in 2018. Therefore, we will not classify this area as excess or surplus, as the existing building size may require more parking, depending on the user. However, this observation is given consideration in the sales comparison approach.

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ADDITIONAL SITE DESCRIPTIONS

Other data pertinent to the site is described below. Photographs and property exhibits follow this section.

LAND-TO-BUILDING RATIO AND EXCESS OR SURPLUS LAND CONSIDERATIONS

The subject site contains 112,060± square feet or 2.57± acres. Based on a gross building area above grade of 38,617± square feet, this results in a land-to-building ratio of 2.90:1. This is just below the expected range for similar commercial developments (between 3:1 and 4:1). This provides additional support for the lack of an allocation for excess or surplus land area.

ACCESS AND PARKING

The site has access via one curb cut on Darbo Drive. The site has striped parking for 70± vehicles. Overall, the parking and access is average. However, the resulting parking ratio is 1.81 stalls per 1,000 square feet of gross building area above grade. This is below typical parking ratios for commercial development, which generally range from 3 to 4 stalls per 1,000 square feet of building area. This is somewhat skewed because much higher parking counts are likely needed if the chapel and/or gymnasium are used to greater capacity, yet this is likely not very often, depending upon the user. For daily office, daycare and other uses, the 70± parking stalls appears to be generally sufficient.

It is noted that the subject's parking lot was previously significantly larger until the City of Madison constructed Richard Davis Lane through the formerly larger subject parcel in 2018. This provides additional support for the lack of an allocation for excess or surplus land area.

TOPOGRAPHY

The site is predominantly level and generally at grade with the surrounding roadways. Drainage patterns are assumed to slope to storm sewers on or near the site. Overall, the topography is considered good and does not appear to limit the development potential of the site (as if vacant, or in a redevelopment scenario).

UTILITIES

The property is served by all public utilities necessary to support the existing improvements.

ZONING

CC-T (Commercial Corridor – Transitional District) as per the City of Madison. The CC-T District is established to recognize the many commercial corridors within the City that remain largely auto-oriented, and to encourage their transformation into mixed-use corridors that are equally conducive to pedestrian, bicycle, transit and motor vehicle activity. A variety of uses are permitted within this district including but not limited to office, medical clinics, a variety of retail uses, hotels, multi-family and mixed-use buildings.

FLOODPLAIN

We have reviewed the FEMA website for information related to the floodplain status of the subject property. Based on the available information, the subject property appears to be located in Zone X, which is considered to be an "area of minimal flood hazard." This information is contained in Flood Insurance Rate Map with Community Panel Number 55025C0427H with an effective date of September 17, 2014. An image of this map is presented as follows.

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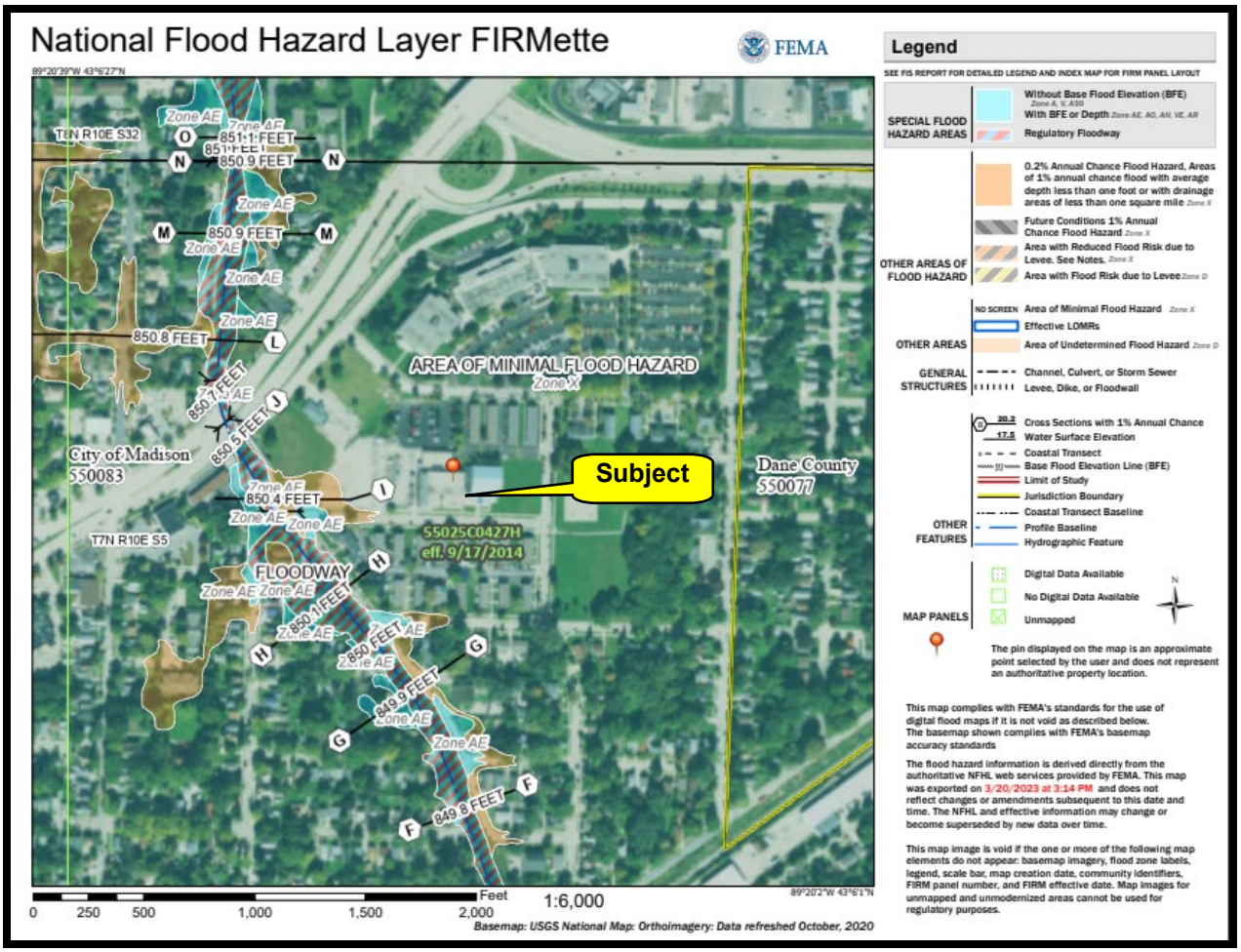

EASEMENTS AND ENCROACHMENTS

It is assumed that typical utility easements exist on this site. A current title insurance policy was not available for review. No apparent encroachments or adverse easements were noted from a physical inspection. However, the appraisers make no guarantee in that regard. This appraisal assumes that there are no non-standard easements, encroachments or encumbrances that would impact value, either positively or negatively. Please note that the appraisers are not title attorneys; we strongly recommend that the client obtain an up-to-date title commitment prior to making any decisions regarding the subject property.

CONCLUSION - SITE ANALYSIS

The site's size and shape are adequate and functional to support general commercial development within the constraints of the zoning parameters. The site has a good location on the east side of Madison with good access to East Washington Avenue and State Highway 30, and benefits from the high traffic counts along this corridor.

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BUILDING COMPONENTS:

Framing and Exterior Walls: The office/chapel portion of the building is masonry load-bearing construction with a brick exterior. The roof is predominantly flat, assumed with a ballasted covering. The gym building is steel framed with a brick exterior. The roof is gabled with a metal panel covering.

Electric Service: The amperage of the main electrical entry was not noted. It is assumed that the electricity service is sufficient to serve the property for its current use as a single-user multi-purpose office/chapel building with attached gymnasium. It appears that the building(s) may have multiple service entries and amperages for the various additions and uses.

Heating & Air Conditioning: The entire building is heated and cooled. The building is heated by boilers that provide radiant heat around the exterior of the building. There are additional rooftop units for supplemental heating and cooling.

Restrooms/ Plumbing: The building includes multiple sets of restrooms and a full kitchen.

Floor Coverings: The office/chapel area has a mix of vinyl, linoleum and carpet floor coverings. The carpet near the main entrance and surrounding office areas was recently replaced. The restrooms and locker rooms have tile floor coverings. The gymnasium has new hardwood floors that were replaced two years ago after the significant flood damage.

Fire Protection: The building is not sprinkled.

Building Layout: The building consists of three separate buildings that have been connected or added over time. The southwest section of the building includes a variety of uses including numerous offices, four classrooms, a chapel, activity room, computer lab, kitchen, dining/multi-purpose room, multiple restrooms and storage rooms. This portion of the building also contains a partial unfinished basement used for storage.

The northwest section of the building includes the former food pantry space (currently used as storage), a walk-in freezer and refrigerator, a few offices and one set of restrooms. This building also contains a full, finished basement that was formerly used as a daycare.

The east section of the building includes a gymnasium, locker rooms, fitness room, rec room, a few offices and storage space.

Subject photographs and other exhibits are presented on the following pages.

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View of the Main Entrance to the Building Looking East from the Parking Lot

View of the Entrance to the Gymnasium from Darbo Drive Looking Northeast

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View of the Gymnasium from Rosemary Avenue Looking West
(Potential Excess or Surplus Land Area in Foreground)

View of the Building from Webb Avenue Looking South – Parking Lot in Foreground is Not Part of the Subject Property

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View of the Subject Property from Richard Davis Lane Looking Southeast

Additional Exterior View of the Gymnasium Building

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Hallway in Connector Between Gymnasium and Office Building

Nursery/Classroom

Typical Open Office Space

Conference Room

Chapel

Dining / Multi-Purpose Room

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Kitchen Adjacent to the Dining / Multi-Purpose Room

Computer Lab

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Locker Room

Gymnasium

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Rec Room

Former Food Pantry Space Currently Used for Storage

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Former Daycare in Basement

Unfinished Basement Storage Space

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Basement Mechanicals

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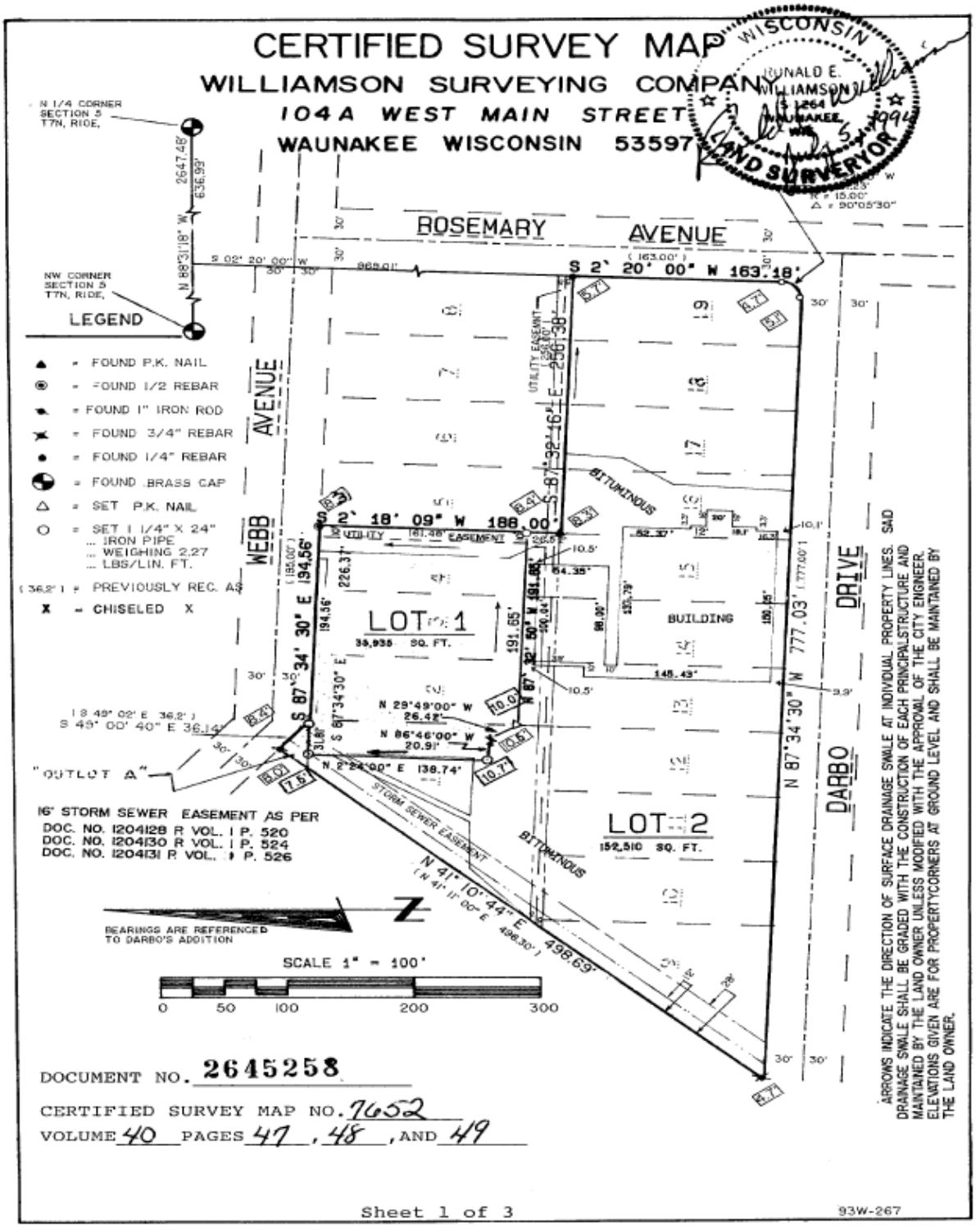
CERTIFIED SURVEY MAP – SUBJECT IS PART OF LOT 2 (PRIOR TO PARTIAL TAKING)



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AERIAL VIEW WITH PARCEL OVERLAY

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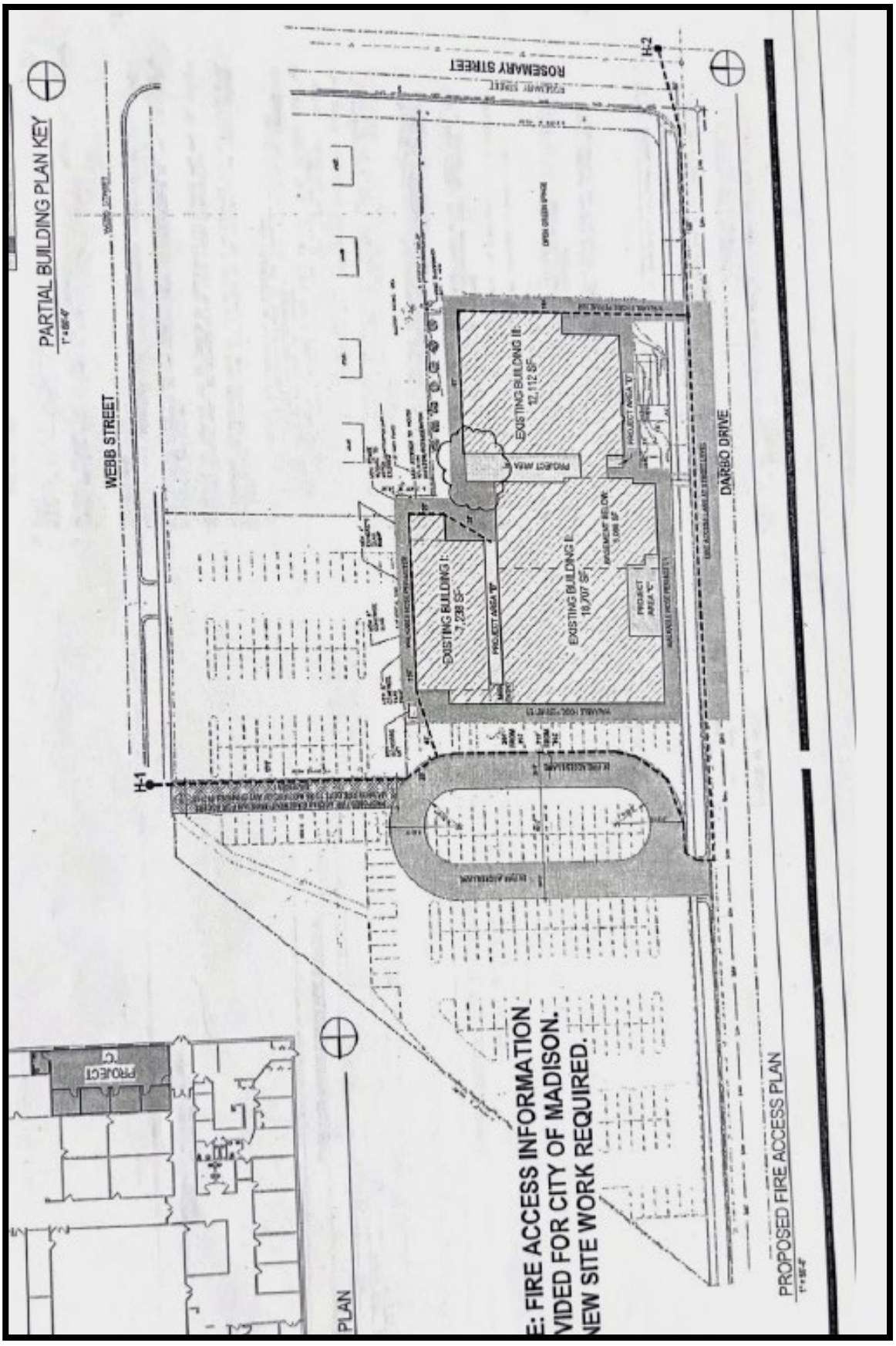
SITE PLAN



*** - It is noted that this is not an accurate representation of the current parking lot**

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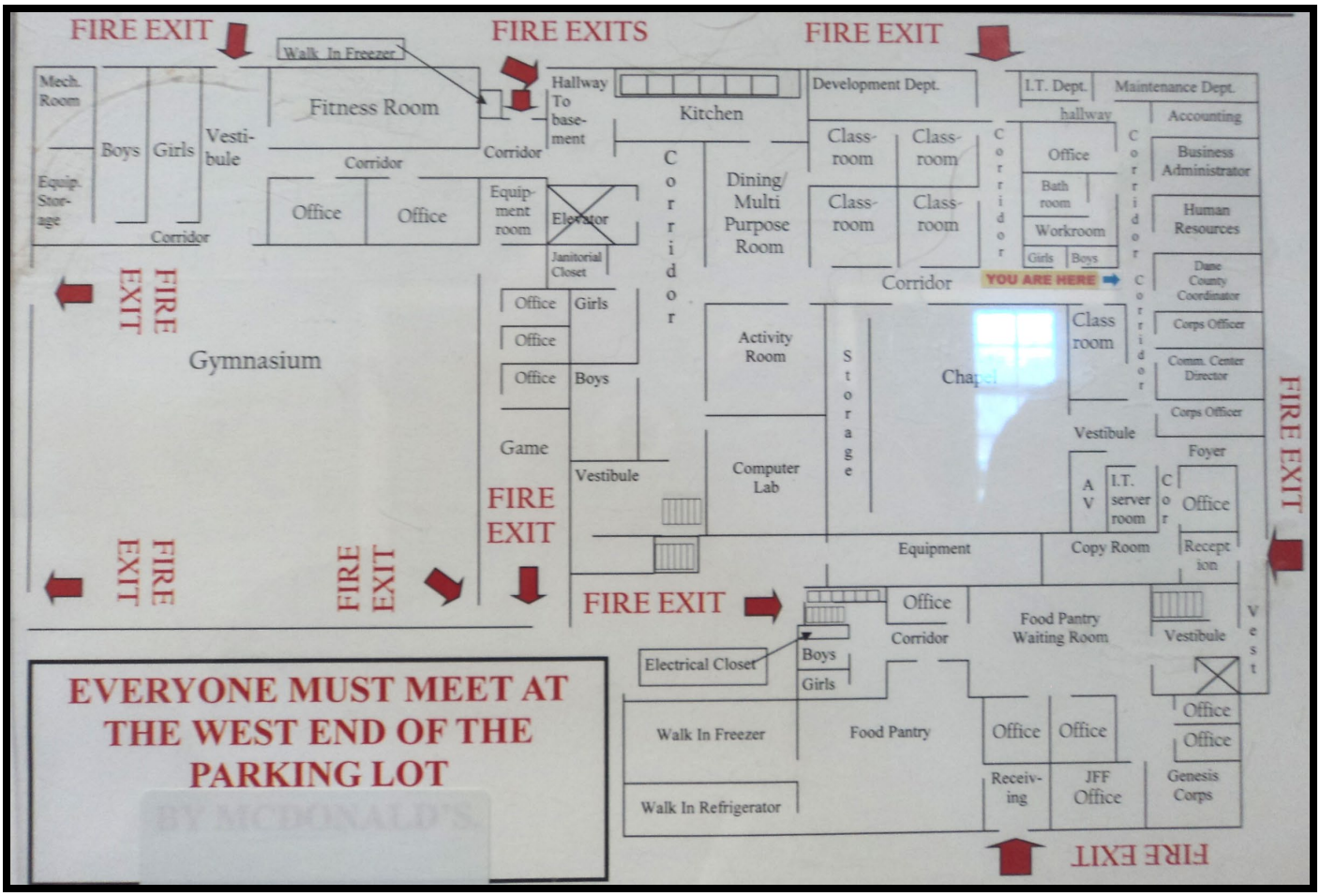
EVACUATION FLOOR PLAN



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INTRODUCTION

The highest and best use of a property is defined as that reasonable and most probable use that will support its highest present value. The highest and best use, or most probable use, must be legally permissible, physically possible, financially feasible, and maximally productive.

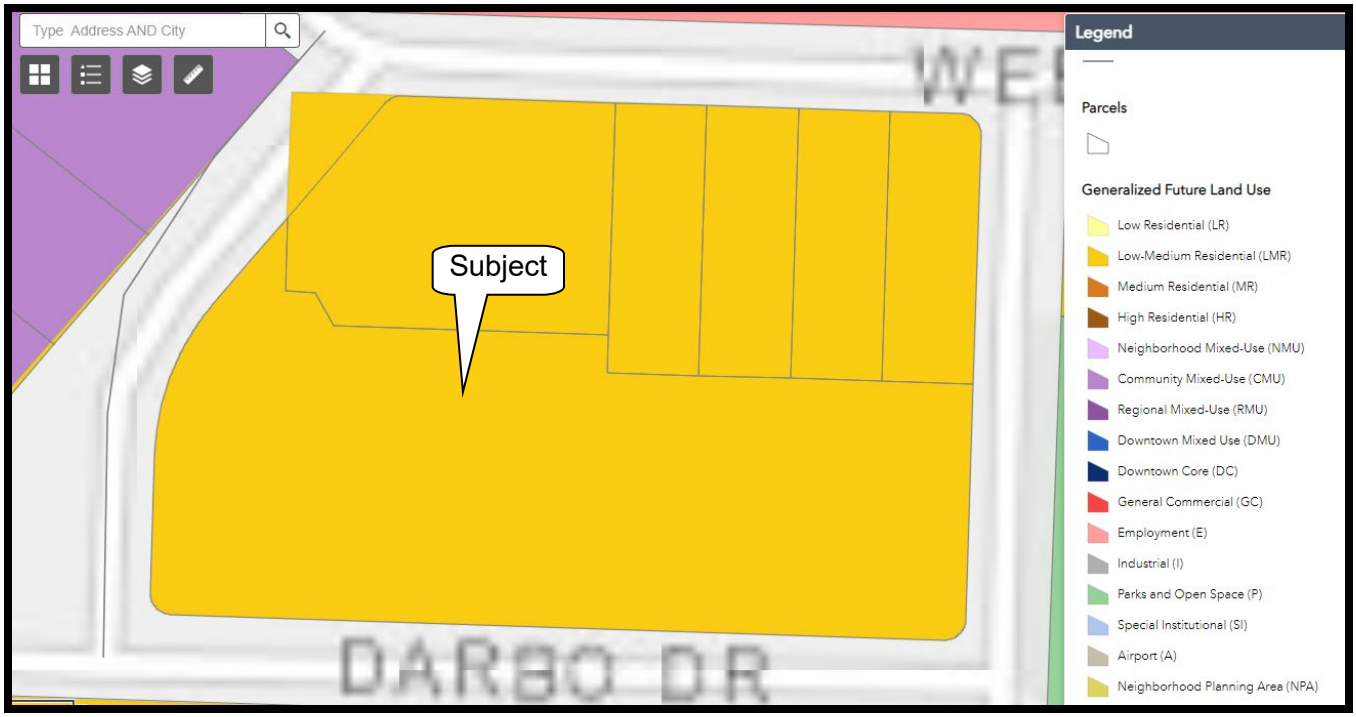
The highest and best use concept is based upon traditional appraisal theory and reflects the attitudes of typical buyers and sellers who recognize that value is predicated on future benefits. In this analysis, we discuss and conclude the highest and best use for the subject property "as if vacant" and "as improved" as of the effective date of the appraisal.

HIGHEST AND BEST USE – AS IF VACANT

LEGALLY PERMISSIBLE USES

In the most general sense, legally permissible uses would be those that are permissible as per the existing zoning. The parcel is zoned CC-T (Commercial Corridor–Transitional District) as per the City. The CC-T District is established to recognize the many commercial corridors within the City that remain largely auto-oriented, and to encourage their transformation into mixed-use corridors that are equally conducive to pedestrian, bicycle, transit and motor vehicle activity. A variety of uses are permitted within this district including but not limited to office, medical clinics, a variety of retail uses, hotels, multi-family and mixed-use buildings.

As shown in the following future land use map recently adopted by the City of Madison, the subject property is located in the **Low-Medium Residential (LMR)** zone.



According to the City of Madison Comprehensive Plan, Low-Medium Residential (LMR) areas are made up of any or all of the following types of housing: small-lot single-family development, two-unit buildings, three-unit buildings, rowhouses, and small multifamily buildings. LMR areas are largely characterized by what is sometimes referred to as the "Missing Middle" of housing development: the range of multi-unit or clustered housing types that fall between the extremes of detached single-family homes and large apartment buildings. Building forms present within the LMR category of housing are generally compatible in scale with single-family homes and may therefore be intermixed with small-lot single-family development or used as a transition

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from more intense development to lower intensity areas comprised primarily of single-family development.

While some areas mapped as LMR are currently multifamily developments that are isolated from surrounding development, LMR areas should be characterized by a walkable, connected street network. Existing, isolated LMR areas should be better connected with their surroundings when opportunities arise, and newly developing LMR areas should be seamlessly integrated with surrounding development. LMR areas should help meet the growing demand for walkable urban living.

Building heights in LMR areas are generally limited to three stories with a general density range of 7-30 units per acre. Based on the above discussion, we will assume a maximum building height of three stories and maximum potential development density of 30.0 units per acre for the subject property as if vacant. This would imply 77 potentially buildable units on the site.

PHYSICALLY POSSIBLE USES

To be a physically possible use, the size, shape and topographical characteristics of the site must be adequate in order to support any proposed or existing development. The subject site is predominantly level and at street grade. The property is mostly rectangular in shape and contains 112,060 square feet or 2.57 acres. The physical aspects of the site do not impose constraints that would restrict it from being developed to its highest and best use, subject to density limitations as a function of the site size.

The comparable land sales utilized in the sales comparison approach generally support a range of densities from approximately 25 to 57 units per acre. The valuation scenario developed is based on an assumed allowable unit count of 77± residential units, which is based on an implied development density of 30.0 units per acre. This density is bracketed in the lower half of the range of the comparable sales, which is reasonable considering most of the comparables were developed with four-story buildings while the subject is limited to three stories according to the future land use plan. Therefore, we will assume that, as if vacant, a potentially buildable number of units for the site is at or near 77± units.

The parcel is served with all necessary public utilities that should be sufficient capability to serve most forms of commercial development. It is also assumed that the site has adequate load-bearing capacities for development. The size and topography of the site does not appear to limit any legally permissible uses as currently zoned.

FINANCIALLY FEASIBLE AND MAXIMALLY PRODUCTIVE USE – CONCLUSION AS IF VACANT

As if vacant, and after considering the legally permissible and physically possible uses, the financially feasible and maximally productive use of the subject property would be for some type of multi-family use that is consistent with surrounding land uses and the future land use plan and is legally permissible as per current zoning.

It is noted that rental rates in the immediate area are at the low end of the general overall market range in comparison to the greater Madison area. In addition, newer market-rate developments typically require higher density buildings of at least four to five stories to be financially feasible. Therefore, it is unlikely that 100% market rate apartments would be financially feasible given current construction costs and density limitations on the site.

However, nearby multi-family developments in the area are in high demand with very minimal vacancies in recent years. Therefore, as if vacant, a multi-family development that would likely be subject to some subsidized government programs such as low income housing tax credits, Section 8, Section 42 or other types of grants/developer-incentivized programs is also a

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potential and more likely use of the subject property as if vacant. In addition, some type of senior housing development is also a potentially viable alternative use of the site.

Sufficient demand is considered to exist, as evidenced by development patterns in the area, vacancy and rental rates in the area, and overall supply and demand characteristics in the immediate area. This type of use is considered to provide the greatest return to the land as if vacant and should result in the highest underlying land value.

HIGHEST AND BEST USE - AS IMPROVED

By market standards, the existing improvements are of acceptable quality and are currently owner-occupied. The site is developed to a typical suburban density. The property, as it is currently improved, has proven to be financially feasible and maximally productive.

Looking ahead, our concluded opinion of value for the subject property "as currently improved" is significantly higher than the value of the subject as a redevelopment site. Demolition or conversion to another use does not support financial feasibility to the extent of maintaining the current use, which has proven to be a financially feasible and maximally productive use of the property. Therefore, the highest and best use as improved appears to be for the continued use as the headquarters for The Salvation Army of Dane County. Other potential alternative highest and best uses as improved could include a church, school or community center use that would value the subject building's various types of spaces (classrooms, offices, gymnasium, kitchen, etc.). There is a good chance that this type of user would also be a nonprofit entity.

The caveat would be if a developer could convince the City of Madison and the neighborhood association to support higher density housing. As a side note, the City recently approved a plan where developers of affordable housing can add height/stories to buildings if they intend to operate the property with at least 50% affordable units. Therefore, if a developer can rationalize a price point that is at or above the appraisers' opinion of value based upon the approval of higher density than allowed by current zoning, arguably redevelopment of the property could be a financially feasible use.

Lastly, also note the following **extraordinary assumption** that was outlined on **Pages 8-9**.

> *"The opinion of value of the underlying land as-if vacant and the "as-is" value as a result of assumed demolition cost estimates (discussed above) assume a typical redevelopment density with a multi-family project that is consistent/similar to the properties utilized as comparable land sales, along with assumptions related to various future land use plans and concepts outlined by the City of Madison for the subject property and the surrounding area. However, we have observed that many similar types of redevelopment projects are done with some amount of Tax Increment Financing (TIF) and/or possibly with the use of various types of low interest loans and/or grants from the federal or state level. These types of incentives can impact the prices paid for this type of property. This appraisal is based upon the **extraordinary assumption** that the underlying land value as-if vacant (and the "as-is" value in a redevelopment scenario) are representative of minimal development incentives and are essentially consistent with the definitional components of market value as contained herein."*

Simply put, there are many other variables that could impact the price/value that a developer is willing to pay for the property as a redevelopment site if additional government incentives are provided.

The **VALUATION METHODOLOGY** will be developed next. The highest and best use analysis has formed the basis for comparison in the applicable approaches to value.

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INTRODUCTION

The next part of the appraisal process deals directly with the valuation of the property. The three traditional approaches to value include the **cost approach; income capitalization approach;** and the **sales comparison approach.**

The cost approach provides a good indication of value for properties that are new or that have experienced a normal amount of depreciation. For properties that are older, the cost approach becomes a less reliable indicator of value. Given the age of the improvements, a cost approach was not developed for the subject property.

The income capitalization approach is based upon the premise that commercial properties are income producing and that investors purchase these properties based on their income-producing ability. The income capitalization approach most closely resembles the type of analysis utilized by investors in income producing properties. Most participants involved in buying and selling commercial properties are mainly concerned with the income-producing capability. The income capitalization approach is typically applied by capitalizing a projected net operating income in a stabilized leasing scenario. Given that this type of property is typically owner-occupied and not leased, the income capitalization approach was not developed.

The sales comparison approach is based on the principle of substitution, which states that no one would pay more for the subject property than the value of similar properties in the market. A comparative analysis of the sale price per square foot will be applied in the sales comparison approach.

In this appraisal, the sales comparison approach is first utilized to conclude an opinion of value of the fee simple interest in the subject's underlying land and its as-is value as a redevelopment site. The sales comparison approach will then be used to develop an opinion of value for the subject property as improved.

Consistent with highest and best use theory, the use that results in the highest present value is typically concluded as the highest and best use of the property and results in the concluded opinion of value. However, these valuation approaches need to be developed to make this determination and conclusion.

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UNDERLYING LAND VALUE AND AS-IS VALUE ASSUMING REDEVELOPMENT

INTRODUCTION

This section will develop a value for the fee simple interest in the subject's underlying land as well as an as-is value as a redevelopment site. The sales comparison approach will first be used to develop an opinion of value for the underlying land and then the estimated costs of demolition will be estimated in order to develop an as-is value as a redevelopment site.

Sales comparison approach is defined in The Dictionary of Real Estate Appraisal, Sixth Edition (2015), as:

> "The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sales prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available."

The first step of this approach is to develop an opinion of value for the underlying site as if vacant. Multi-family residential land of the subject's size and location is typically valued using comparisons on the basis of price per unit. Therefore, the following analysis uses the price per unit as the primary unit of comparison, with the price per square foot referenced as a supportive crosscheck.

COMPARABLE PRESENTATION AND ANALYSIS

The following page contains a **Comparable Land Sales Summary** followed by a **Land Sales Location Map**. This summary includes seven sales and one listing of land in a competing market area which could be verified by review of documents recorded at the Dane County Register of Deeds Office, in addition to discussion with individuals directly involved in many of these sales. The appraisers are aware of other commercial land sales and listings in the greater Madison area. However, of the data available, the comparables presented herein are the most comparable to the subject site.

QUANTITATIVE ADJUSTMENTS

Adjustments to the sale prices of comparable properties are required to account for differences that may exist between a comparable and the subject. Adjustments are typically considered for property rights conveyed, financing, conditions of sale, market conditions (time) location, size, zoning, use, and physical characteristics, including topography and shape.

PROPERTY RIGHTS CONVEYED / CONDITIONS OF SALE

The comparables include arm's-length sales that represent the transfer of a fee simple interest on an all cash or equivalent terms basis. Therefore, no adjustments were required for property rights conveyed or financing for most of the closed sales. However, Comparables 1, 3, 5, 6 and 8 required demolition costs that were not quantified. Therefore, these comparables were adjusted upward by an estimate of 5% to account for this condition. In addition, a 10% downward adjustment was applied to the current listing (Comparable 7) to account for likely negotiations with potential buyers.

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COMPARABLE LAND SALES SUMMARY

No.	Location	Sale Date	Units Proposed	Zoning	Land Size SF	Land Size Acres	Density	Total Price	Price per Unit	Price per SF	Grantor/ Grantee
1	**The Oscar Apartments** 1222 Huxley Street Madison, Wisconsin	Jan-21	110 units	CC-T	109,335 SF	2.51 acres	43.8 units/acre	**$1,500,000**	**$13,636**	**$13.72**	Oscar Mayer Credit Union / The Oscar Apartments, LLC
	This site was purchased for the development of The Oscar Apartments, including 110 units and 2,000 SF of commercial space. One building will be aimed at senior and the second building will be classified as workforce housing. Of the total units, 93 will be affordable units for renters at or below 60% of the AMI. Demolition of an existing credit union building was required prior to development.										
2	**The Madisonian Apts** 1825-1837 Aberg Avenue Madison, Wisconsin	Feb-21	70 units	CC-T	59,527 SF	1.37 acres	51.22 units/acre	$900,000 $40,000 **$940,000**	$12,857 $571 **$13,429**	$15.12 $0.67 **$15.79**	Roger & Ruth Westmont / Madisonian Development, LLC
	This represents the sale of two parcels located along Aberg Avenue on Madison's north side. The site was developed with a 70-unit LIHTC project. The development includes an apartment building with 64 1-bedroom and 2-bedroom units and a separate building with 6 3-bedroom townhomes. There is 21 market rate units and 49 affordable units set aside for households with incomes at or below the 30%, 50%, and 60% of AMI limits. The site reportedly required some environmental remediation for poor soil conditions, which was funded via Brownfields Grant. There was a small office building on one of the parcels that was demolished at an estimated cost of $40,000.										
3	**Rise Madison** 958 Rise Lane Madison, Wisconsin 53704	Nov-22	245 units	CC-T	277,855 SF	6.38 acres	38.4 units/acre	**$3,000,000**	**$12,245**	**$10.80**	Earthgrains Baking Co Inc. / WHPC-Rise Madison, LLC
	This is the sale of the former Gardner Bakery property at the intersection of East Washington Avenue and North Fair Oaks Avenue on the east side of Madison. The bakery was demolished for the development of four apartment buildings containing a total of 245 apartment units. Units will be offered to tenants with income levels at or below 30 to 80 percent of the Dane County median income with restricted rent levels as tax credit units. All buildings will have underground parking available and all but the townhomes will have community rooms with kitchens and various other amenities such as an office and fitness room. One of the family buildings facing East Washington Avenue will include 4,080 square feet of commercial space. Older buildings on the site have been demolished, and phased construction is underway. The first building will be completed Q1 2025 and the last building in Q3 2025.										
4	**Huxley Yards** 1003 Huxley Street Madison, Wisconsin 53704	Jan-24	553 units	TR-U2	507,752 SF	11.66 acres	47.4 units/acre	**$6,084,950**	**$11,004**	**$11.98**	Kraft Heinz Foods Co. / Roth Street II, LP and Roth Street I, LP
	This is the sale of two vacant lots near the former Oscar Mayer plant on the north side of Madison. Plans call for a grand total of 553 income and rent-restricted units between two buildings, with one building dedicated to older adults, with the other building dedicated to individuals and families. All of the units at Huxley Yards will be reserved to individuals making up to 50%, 60%, or 70% of Dane County's Area Median Income (AMI), depending on the unit. The City of Madison contributed more than $6 million in TIF funds to help cover a gap in the project's financing. It was additionally funded through low-income housing tax credits, and received a Brownfield grant. The buyer purchased an additional property from the seller for $1,000,000 but this was then immediately sold to the City of Madison for $1,000,000 for park space.										

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COMPARABLE LAND SALES SUMMARY - CONTINUED

No.	Location	Sale Date	Units Proposed	Zoning	Land Size SF	Land Size Acres	Density	Total Price	Price per Unit	Price per SF	Grantor/ Grantee
5	**2001 Londonderry Drive** Madison, Wisconsin	Jun-23	105 units	CC-T	84,037 SF	1.93 acres	54.4 units/acre	**$850,000**	**$8,095**	**$10.11**	Associated Bank Madison / Tamarack Apartments, LLC
	This is the sale of a former Associated Bank branch at the intersection of Packers Avenue and Northport Drive on the north side of Madison. The existing building will be demolished to develop a four-story, 105-unit apartment building.										
6	**Starkweather Place** 215 N Fair Oaks Avenue Madison, Wisconsin	Jul-23	112 units	TR-U1	188,637 SF	4.33 acres	25.9 units/acre	**$1,000,000**	**$8,929**	**$5.30**	SWAYNK, LLC / 215 N Fair Oaks, LLC
	This is the sale of a boat cover shop property along North Fair Oaks Avenue on the east side of Madison. The existing building was demolished to facilitate the development of a four-story, 112-unit apartment building. The property has an irregular, triangular shape with some low-lying areas that likely limited the density on the site.										
7	**1201 Huxley St & 1910 Roth St** Madison, Wisconsin	Listing	192 units (estimate)	TR-U2	182,921 SF	4.20 acres	45.7 units/acre	**$3,000,000**	**$15,625**	**$16.40**	Currently listed By Oakbrook Corp
	This is the current listing of two mostly vacant parcels at the intersection of Huxley Street and Roth Street on the north side of Madison. The property is currently partially improved with a parking lot and former bus transfer station. The propery is in the medium to high-density future land use zone as per the City of Madison. According to the listing broker, this could allow the development of a 4-5 story apartment building with 180-205 units.										
8	**Avenue Square Senior Apts** 2110 Schlimgen Avenue Madison, Wisconsin	Sep-21	70 units	NMX	53,762 SF	1.23 acres	56.7 units/acre	**$566,000**	**$8,086**	**$10.53**	Madisonian Development, LLC Odessa Senior Housing, LLC
	This is the sale of a parcel improved with two single-family homes and a small commercial building at the intersection of Packers Avenue and Schlimgen Avenue on the north side of Madison. The existing improvements were demolished for the development of a four-story, 70-unit affordable senior apartment building.										

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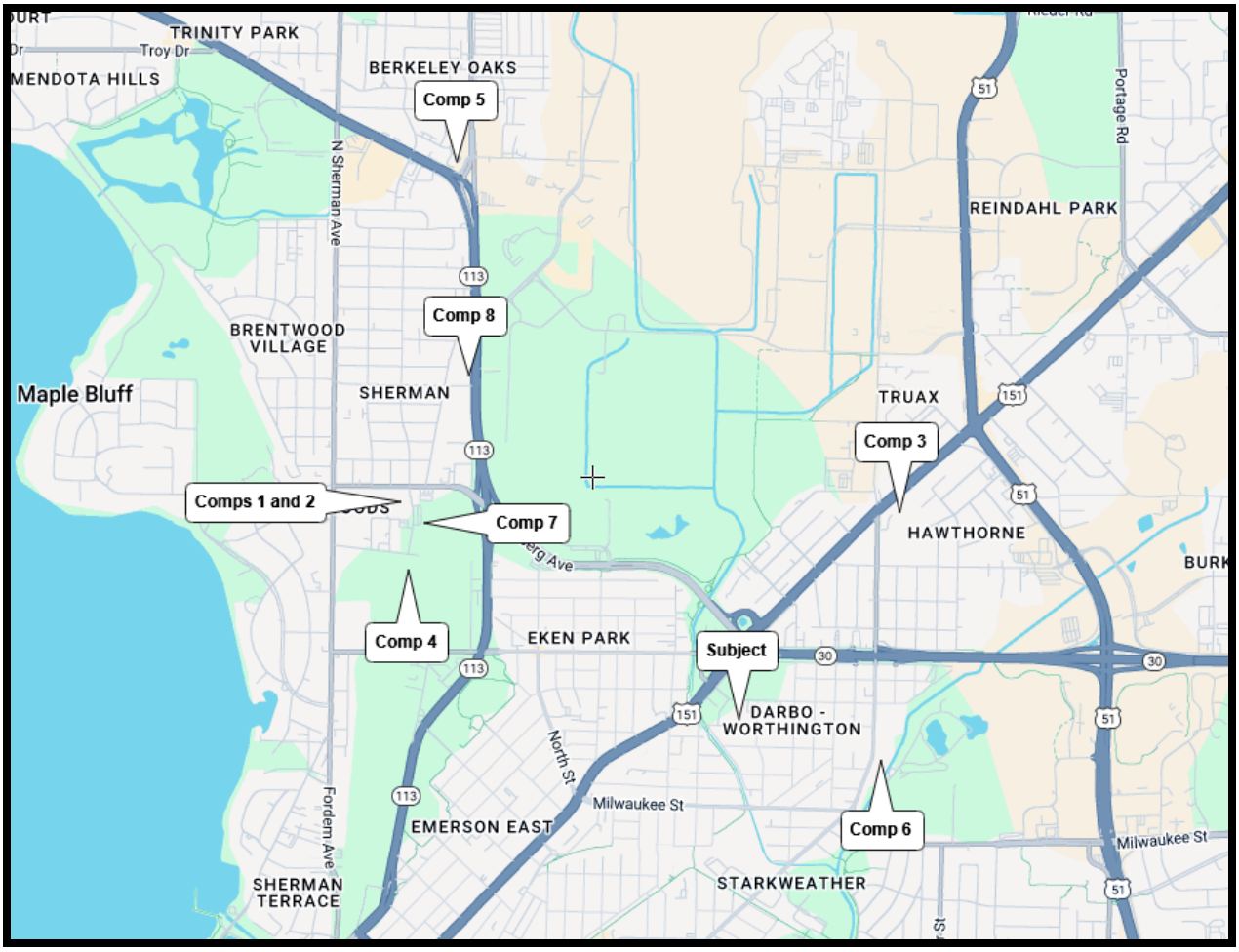
LOCATION MAP – COMPARABLE LAND SALES



MARKET CONDITIONS

The sales occurred between 2021 and 2024. We have considered changes in the rate of inflation between 2016 and 2025 as a means of estimating value inflation. The percent change in CPI generally brackets the 1% to 2.5% range between 2013 and 2020 with much higher inflation from 2021-2023 but a return to stabilized levels in 2024-2025:

Consumer Price Index for All Urban Consumers (CPI-U)

Series Id: CUUR0000SA0 Not Seasonally Adjusted | **Area:** U.S. city average | **Item:** All items | **Base Period:** 1982-84=100 | **Years:** 2016 to 2024

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average	% Change
2016	236.92	237.11	238.13	239.26	240.24	241.04	240.65	240.85	241.43	241.73	241.35	241.43	240.01	1.26%
2017	242.84	243.60	243.80	244.52	244.73	244.96	244.79	245.52	246.82	246.66	246.67	246.52	245.12	2.13%
2018	247.87	248.99	249.55	250.55	251.59	251.99	252.01	252.15	252.44	252.89	252.04	251.23	251.11	2.44%
2019	251.71	252.78	254.20	255.55	256.09	256.14	256.57	256.56	256.76	257.35	257.21	256.97	255.66	1.81%
2020	257.97	258.68	258.12	256.39	256.39	257.80	259.10	259.92	260.28	260.39	260.23	260.47	258.81	1.23%
2021	261.58	263.01	264.88	267.05	269.20	271.70	273.00	273.57	274.31	276.59	277.95	278.80	270.97	4.70%
2022	281.15	283.72	287.50	289.11	292.30	296.31	296.28	296.17	296.81	298.01	297.71	296.80	292.65	8.00%
2023	299.17	300.84	301.84	303.36	304.13	305.11	305.69	307.03	307.79	307.67	307.05	306.75	304.70	4.12%
2024	308.42	310.33	312.33	313.55	314.07	314.18	314.54	314.80	315.30	315.66	315.49	315.61	313.69	2.95%
2025	317.67	319.08	319.80	320.80									319.34	1.80%
													Mean	**3.04%**
													Median	**2.29%**

Therefore, we have concluded a **3.0% per year** time adjustment for the comparable sales.

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ADJUSTMENTS FOR PHYSICAL CHARACTERISTICS

LOCATION

The subject property is located in a transitional area between commercial uses and residential uses just off of East Washington Avenue and State Highway 30 on the east side of Madison. The subject and most of the comparables are in similar locations on the east or north side of Madison. However, downward adjustments were applied to Comparables 3, 5, and 8 due to their superior frontage along East Washington Avenue, Northport Drive and Packers Avenue.

SIZE

With respect to size, as a site increases in size the sales price per square foot typically decreases, with all other factors remaining equal. This is due to the diminishing marginal returns associated with each additional unit (square foot) added. The subject site contains 112,060 square feet or 2.57 acres. The subject site is bracketed by the comparable land sales, which range from 1.23 to 11.66 acres. A downward adjustment was applied to the smallest comparable and upward adjustments were applied to significantly larger comparables.

SHAPE / CONFIGURATION

The subject and most of the comparables are all generally functionally shaped for development. However, Comparable 6 has an irregular, triangular shape with some low-lying areas that appears to limit development on portions of the site. Therefore, a 20% upward adjustment was applied to this comparable.

ZONING / DENSITY

The subject parcel and many of the comparables lie within relatively flexible zoning districts which allow for a wide variety of uses. As mentioned previously, one of the main determinants of price/value is the allowable development density. The comparables have been sorted and arrayed based upon their development density (from highest to lowest) in the chart on the following page.

Please note that **the subject's estimated development density as developed in the Highest and Best Use section is applied** in this table. The density indicator is a function of comparison to other projects in relation to zoning, height restrictions and the City of Madison future land use plan:

Comparable Land Sales Arrayed by Development Density						
Sale	Name	Site Size	# of Units	Density	Price/SF	Price/Unit
6	Starkweather Place	4.33 acres	112 units	25.9 units/acre	$5.30	$8,929
	Subject	**2.57 acres**	**77 units**	**30.0 units/acre**	**-**	**-**
3	Rise Madison	6.38 acres	245 units	38.4 units/acre	$10.80	$12,245
1	The Oscar Apartments	2.51 acres	110 units	43.8 units/acre	$13.72	$13,636
7	1201 Huxley St & 1910 Roth St	4.20 acres	192 units	45.7 units/acre	$16.40	$15,625
4	Huxley Yards	11.66 acres	553 units	47.4 units/acre	$11.98	$11,004
2	The Madisonian Apts	1.37 acres	70 units	51.2 units/acre	$15.12	$12,857
5	2001 Londonderry Drive	1.93 acres	105 units	54.4 units/acre	$10.11	$8,095
8	Avenue Square Senior Apts	1.23 acres	70 units	56.7 units/acre	$10.53	$8,086

The comparables with applicable development densities indicate densities ranging from 25.6 to 56.7 units per acre. Downward adjustments were applied to the comparables with significantly higher densities and an upward adjustment was applied to the comparable with the lowest density. Please note that the presence of commercial space was considered when making these adjustments.

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Please refer to the following adjustment grid as a basis of the remaining discussion and concluded opinion of value for the subject site as-if vacant:

LAND SALES ADJUSTMENT GRID

Comparable Number	1	2	3	4	5	6	7	8
Unit Price (Price per Unit)	$13,636	$13,429	$12,245	$11,004	$8,095	$8,929	$15,625	$8,086
Unit Price (Price per SF)	$13.72	$15.79	$10.80	$11.98	$10.11	$5.30	$16.40	$10.53
Quantitative Adjustments:								
Property Rights Conveyed	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Conditions of Sale	5.00%	0.00%	5.00%	0.00%	5.00%	5.00%	-10.00%	5.00%
Market Conditions (Time)	12.99%	12.73%	7.36%	3.98%	5.76%	5.60%	0.00%	10.89%
Adjusted Price per Unit	$16,089	$15,138	$13,759	$11,441	$8,966	$9,875	$14,063	$9,371
Adjusted Price per SF	$16.19	$17.80	$12.13	$12.46	$11.20	$5.86	$14.76	$12.20
Qualitative Analysis:								
Location	0.00%	0.00%	-10.00%	0.00%	-10.00%	0.00%	0.00%	-5.00%
Size	0.00%	0.00%	5.00%	10.00%	0.00%	5.00%	5.00%	-5.00%
Shape/Configuration	0.00%	0.00%	0.00%	0.00%	0.00%	20.00%	0.00%	0.00%
Zoning/Density	-10.00%	-15.00%	-5.00%	-10.00%	-15.00%	5.00%	-10.00%	-15.00%
Adjusted Price per Unit	$17,698	$17,409	$13,759	$13,730	$9,415	$11,850	$16,172	$9,839
Adjusted Price per SF	$14.57	$15.13	$10.92	$12.46	$8.40	$7.62	$14.02	$9.15

*Please note that the zoning/density adjustments shown have been reversed for the per unit value indications due to the inverse relationship between allowable density and land price per unit. For example, the -10.00% adjustment shown for Comparable 1 is applied as +10.00% adjustment to the adjusted price per unit.

CONCLUSION – UNDERLYING LAND VALUE AS IF VACANT

The comparables indicate an adjusted range in selling prices from $7.62 to $15.13 per square foot with an adjusted mean of $11.53 and an adjusted median of $11.69 per square foot. This translates to a range from $9,415 to $17,698 per unit with a mean of $13,734 and median of $13,744 per unit.

Given that the subject's density falls near the bottom of the comparable range, we would expect a per unit value to fall slightly above the middle of the comparable range and the per square foot value to fall slightly below the middle of the comparable range. In the final analysis, a price per unit value indication is concluded at **$14,500 per unit.** In addition, a price per square foot value indication is concluded at **$11.00 per square foot.**

SITE VALUE CONCLUSION - PER UNIT
$14,500
per Unit, applied to
77 Units
$1,116,500
$1,120,000

SITE VALUE CONCLUSION - PER SF
$11.00
per SF, applied to
112,060 SF
$1,232,660
$1,230,000

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Based on the above indicators, the resulting value indications range from **$1,120,000** to **$1,230,000.** We will place approximately equal weight on both indicators. Therefore, the correlated and concluded opinion of value for the subject's underlying land is **$1,175,000**. This equates to **$15,260 per unit or $10.49 per square foot.**

"AS-IS" VALUE – ADJUSTMENTS FOR DEMOLITION COSTS (UNDER A REDEVELOPMENT SCENARIO)

The previous section developed a value indication for the underlying land as if vacant. The concluded underlying land value, **as if vacant**, was **$1,175,000**. However, this section will consider the estimated demolition costs required to ready the site for development.

The following chart includes local demolition cost comparables. These comparables indicate a range from $3.46 to $17.96 per square foot of building area with a mean of $8.14 and median of $7.75 per square foot.

Demolition Cost Comparables

Location	Building Type	Demolition Costs	Gross Building Area	Cost per SF
Near South Madison	One-Story Grocery	$250,000	26,381 SF	$9.48
West Madison	One-Story Grocery	$60,000	17,323 SF	$3.46
Near East Madison	One-Story Office	$200,000	42,213 SF	$4.74
East Madison	Two-Story Bank Branch	$140,000	14,066 SF	$9.95
Sun Prairie (East Madison)	2 Lt. Industrial Bldgs & Residence	$50,000	8,304 SF	$6.02
West Madison	Two-Story Office	$157,580	15,380 SF	$10.25
South Madison	Two-Story Restaurant	$44,575	11,698 SF	$3.81
West Madison	Two-Story Office	$175,000	29,536 SF	$5.92
Downtown Madison	12-Story Office	$4,020,000	223,784 SF	$17.96
Downtown Madison	Three-Story Office	$400,000	40,940 SF	$9.77

Based on the above cost comparables, we will assume estimated demolition costs near the middle of this range around **$8.00 to $9.00 per square foot**. However, *please note that this is only an estimate based upon the above data and is subject to verification in relation to contractor bids for demolition, disposal and costs to bring the site to a desired level of utility for development*. Based on the gross building area of 54,823 square feet including the basement areas, this would imply an estimated demolition cost range of **$438,584 to $493,407**.

Therefore, the estimated demolition costs will be estimated near the middle of this range at **$450,000.** The estimated demolition costs will be subtracted from the underlying land value as if vacant in order to develop an "As-Is" opinion of value.

This indicates the following:

CORRELLATED AND CONCLUDED LAND VALUE AS VACANT
$1,175,000

LESS: DEMOLITION COSTS
($450,000)

IMPLIED "AS-IS" VALUE
$725,000

Based upon the above summary, the as-is fee simple value indication of the subject property **as a redevelopment site** is rounded to **$725,000**.

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INTRODUCTION

Sales comparison approach is defined in The Dictionary of Real Estate Appraisal, Sixth Edition (2015), as:

> "The process of deriving a value indication for the subject property by comparing sales of similar properties to the property being appraised, identifying appropriate units of comparison, and making adjustments to the sales prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison. The sales comparison approach may be used to value improved properties, vacant land, or land being considered as though vacant when an adequate supply of comparable sales is available."

This approach will be developed on an "as-is" basis. In this section, the value indication will be developed by direct comparison analysis. Direct comparison analysis compares improved sales to the subject property on a price per square foot basis. The price per square foot is based upon the physical characteristics of the property, and care must be taken in the comparable selection process.

SELECTION AND PRESENTATION OF COMPARABLE SALES DATA

The subject property is an existing multi-purpose office/chapel building with an attached gymnasium. The subject building also includes several classrooms, a kitchen, daycare and computer lab. Due to the subject's varying space types and larger building size, the most likely users of the subject property as improved were concluded to be churches, schools or non-profit community-based service providers (similar to The Salvation Army or the City of Madison). Therefore, the most relevant basis for comparison is based upon an analysis of these types of properties.

The following page contains a summary of comparable properties with varying uses similar to the subject property. These are concluded to form the most reliable basis for comparison to the subject property. This is followed by a **Location Map** and **Photographs** of the properties. These sales will be analyzed on the basis of their sales prices per square foot of gross building area. Notable points related to these sales include the following:

- To identify sales, various commercial databases were researched, including MLS, CoStar, and Property Drive. However, it is commonly known that these types of properties do not always get marketed by the typical listing agent/broker approach.
- The comparables primarily include properties that were purchased for use as churches or as non-profit community-based service providers. However, one indoor soccer facility was also included for comparison to the subject's gymnasium space.
- The comparables are located in the greater Madison or Milwaukee areas.
- The comparables range in size from 16,500 to 83,000 square feet. Meanwhile, the subject property is bracketed in the upper half of this range with 38,617 square feet of gross building area above grade and 16,206 square feet of basement area.
- The comparables were constructed between 1931 and 2004. Meanwhile, the subject property is bracketed near the middle of this range with estimated construction dates of 1957 to 1968 for the office/chapel portion and 1995 to 2000 for the gymnasium portion.
- The selling or listing prices range from $39 to $105 per square foot.

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COMPARABLE SALES SUMMARY

NO.	PROPERTY/ LOCATION	SALE DATE	YEAR BUILT	BUILDING SIZE	LAND AREA	L/B RATIO	SALE PRICE	PRICE PER SF	GRANTOR/ GRANTEE	COMMENTS
1	2670 Milwaukee Street Madison, Wisconsin	Jan-17	1960	38,035 SF (gross)	1.53 acres 66,600 SF	1.75	**$2,100,000**	**$55.21**	Holy Cross Lutheran Church & School, Inc. / OFS Holdings, Inc.	This is the sale of an existing school and church with gymnasium and cafeteria. The sanctuary has seating for approximately 420 persons. It is an older property but appears to have been well-maintained and has good curb appeal in an established east side neighborhood. The land-to-building ratio is very low and parking is limited. The property was purchased by Operation Fresh Start, which planned to rebuild 2/3 of the space for their new home. During the renovation, around 11,000 SF were leased out to help fund building maintenance and program expansion.
2	232 Windsor Street Sun Prairie, Wisconsin	Jan-19	1952 1990 (addition)	20,718 SF (gross)	2.89 acres 125,671 SF	6.07	**$1,225,000**	**$59.13**	Peace Evangelical Lutheran Church / Boys & Girls Club of Dane County	This represents the sale of the Peace Evangelical Lutheran Church facility located in Sun Prairie. The church has around 18,500 SF with a 264-person sanctuary, room for 6-10 classrooms, 2 kitchens, hall, and flex space. The property also includes a parsonage that contains around 2,218 SF. The property was purchased by the Boys and Girls Club of Dane County for a new facility to be used for daycare, after-school programs, and tutoring.
3	151 S 84th Street Milwaukee, Wisconsin	Aug-20	1951	83,000 SF (gross)	14.58 acres 635,105 SF	7.65	**$5,000,000**	**$60.24**	Archdiocese of Milwaukee / St Charles Youth & Family Services, Inc.	This is the sale of a multi-building former church property that is now used as a non-profit human services agency that provides an array of prevention and intervention services. The buyer was a tenant at the time of sale.
4	United Indoor Soccer 5018 Blazing Star Drive Madison, Wisconsin	Mar-21	2004	16,500 SF (gross)	1.30 acres 56,596 SF	3.43	**$875,000**	**$53.03**	L & I of Dane County LLC / BCLEV LLC	This is the sale of a former indoor soccer facility located in the World Dairy Center. The building was purchased by RIT Elite, an indoor basketball training facility. The buyer intended to renovate the building for indoor basketball use to include one NBA-sized court. Other renovations were planned for the restrooms, roof/siding, adding an overhead door, and interior/exterior painting.
5	4200 Buckeye Road Madison, Wisconsin	Apr-25	1954	35,713 SF (gross)	1.77 acres 77,101 SF	2.16	**$1,400,000**	**$39.20**	Lake Edge Congregational Community Church / Capital City Sanctuary of God	This is the sale of a church with parsonage on the east side of Madison. The church has one sanctuary room with 20-30' ceilings, an auxiliary room that can be used for events/services, a large daycare space currently rented through Dec, 2025, multiple other rooms on the 1st floor, and a full basement with classrooms and storage space. The parsonage home at 4201 Hegg Ave is a 3 bed//1.5 bath 1,668 SF ranch home with a 2 car detached garage and open basement. The property was purchased for continued church use.

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COMPARABLE SALES SUMMARY - CONTINUED

NO.	PROPERTY/ LOCATION	SALE DATE	YEAR BUILT	BUILDING SIZE	LAND AREA	L/B RATIO	SALE PRICE	PRICE PER SF	GRANTOR/ GRANTEE	COMMENTS
6	9455 N 76th Street Milwaukee, Wisconsin	Sep-23	1989 2006 (addn.)	27,510 SF (gross)	11.63 acres 506,603 SF	18.42	**$2,500,000**	**$90.88**	Spirit Life Church / Believers in Christ Ministries, Inc.	This is the sale of a church campus and daycare center in northwest Milwaukee. A new 250-person sanctuary was added to the building in 2006. The property also includes a day care licensed for 50 kids. The building has a new roof. The building includes a partial, exposed basement. The property also includes 185 surface parking stalls and nine single-family residential lots. However, it is noted that it appears that single-family lots in the area sell for around $10,000 per lot so these additional lots do not contribute a signficant amount of value.
7	N84 W16971 Menomonee Ave Menomonee Falls, Wisconsin	Oct-23	1969	25,019 SF (gross)	4.13 acres 179,903 SF	7.19	**$1,600,000**	**$63.95**	Legacy Christian Church / Ergun Kodesh Properties, Inc.	This is the sale of a church in Menomonee Falls. The building includes a contemporary sanctuary setting with a seating capacity of 250-300 and a traditional setting with a seating capacity of 150-200. The building also features several meeting rooms, offices, storage areas and a children's area, which was remodeled in 2018. The property was purchased for the continued use as a church.
8	3011 Saylesville Road Waukesha, Wisconsin	Listing	1931/2021	28,184 SF (gross)	4.18 acres 182,081 SF	6.46	**$2,950,000**	**$104.67**	Currently listed by Twelve2 Commercial Group	This is the current listing of the former Lawrence School property in Waukesha, Wisconsin. The building was formerly used as a daycare with a licenses for up to 150 kids. The facility features 23 classrooms, 15 full bathrooms, a full kitchen/cafeteria, staff offices, reception and indoor/outdoor playgrounds. A recent 10,216 square foot addition in 2021 features the cafeteria (216 person capacity) and commercial kitchen.
9	6021 W Lincoln Avenue West Allis, Wisconsin	Listing	1957	64,573 SF (gross)	1.71 acres 74,488 SF	1.15	**$2,800,000**	**$43.36**	Currently listed by Anderson Commercial Group	This is the current listing of a former school building in West Allis, Wisconsin. The building contains 23,626 square feet on the lower level, 23,821 square feet on the first floor and 17,126 square feet on the second floor. The building features 15 large classrooms, a vintage gymnasium with stage, cafeteria and commercial kitchen.

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SALES COMPARABLE PHOTOGRAPHS

Comparable #1 – 2670 Milwaukee Street, Madison, Wisconsin

Comparable #2 – 232 Windsor Street, Sun Prairie, Wisconsin

Comparable #3 – 151 S 84th Street, Milwaukee, Wisconsin

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Comparable #4 – 5018 Blazing Star Drive, Madison, Wisconsin

Comparable #5 – 4200 Buckeye Road, Madison, Wisconsin

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Comparable #6 – 9455 N 76th Street, Milwaukee, Wisconsin

Comparable #7 – N84 W16971 Menomonee Avenue, Menomonee Falls, Wisconsin

Comparable #8 – 3011 Saylesville Road, Waukesha, Wisconsin

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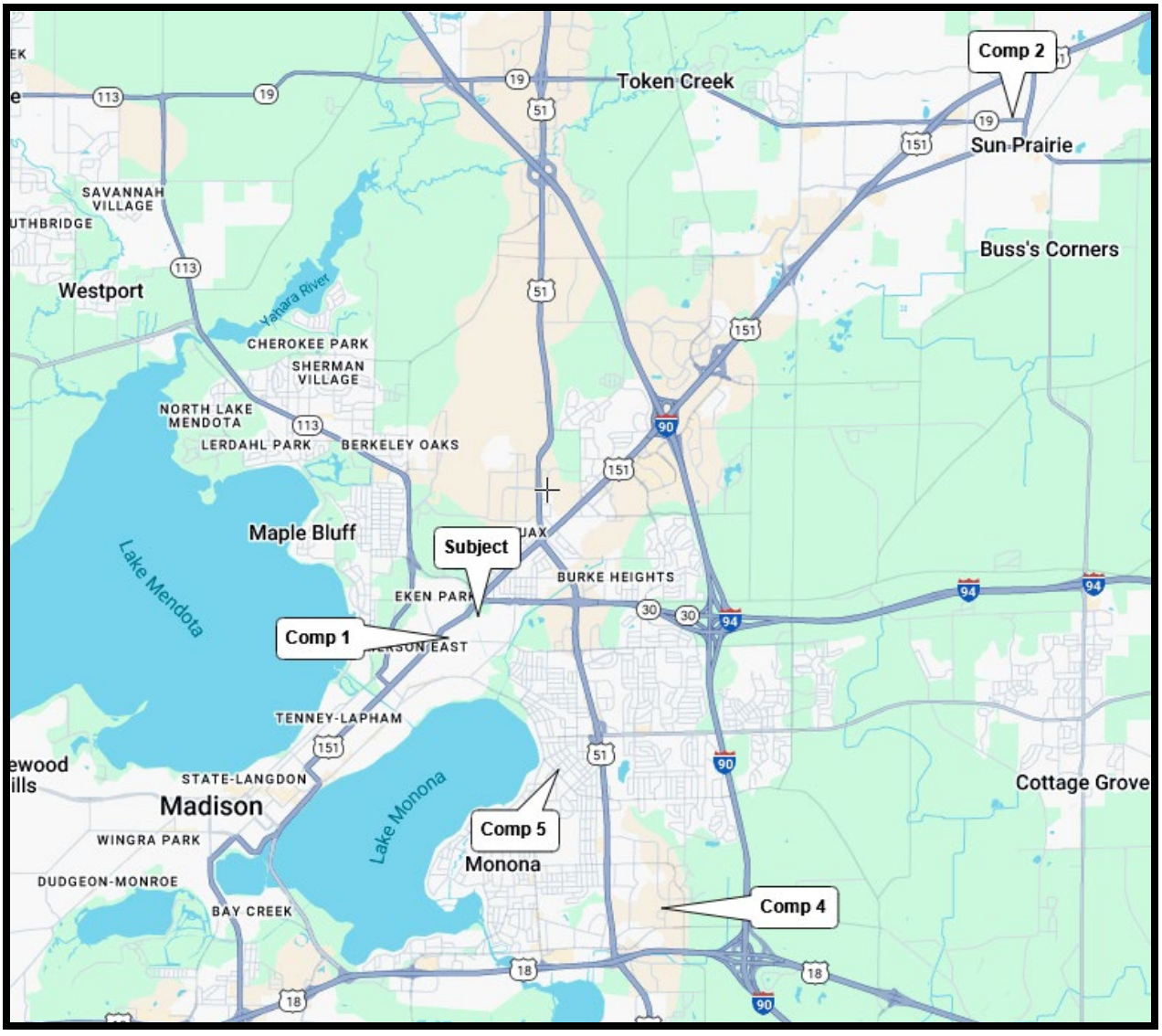
Comparable #9 – 1526 S 2nd Street, West Allis, Wisconsin



Location Map – Comparable Sales – Madison Area

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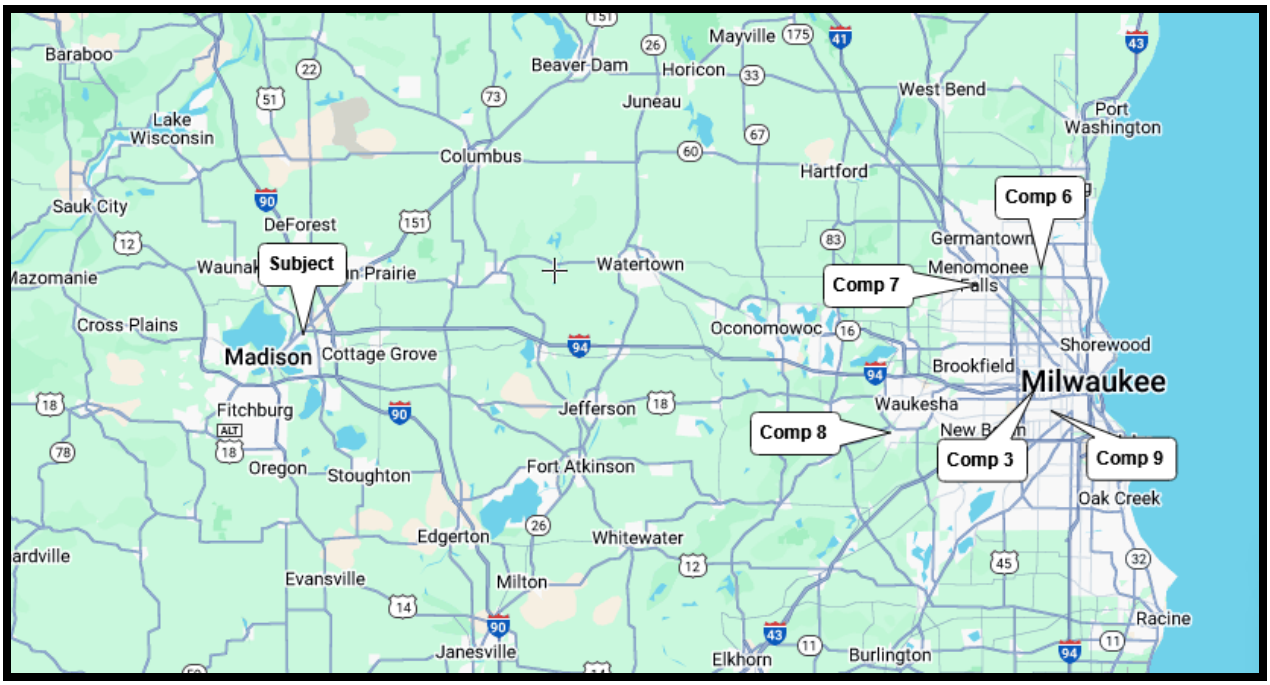

Location Map – Comparable Sales – Milwaukee Area

QUANTITATIVE ADJUSTMENTS

PROPERTY RIGHTS CONVEYED AND FINANCING TERMS

Each transaction was reportedly for all cash or terms equivalent to cash, with no adjustments required for financing. The terms and conditions of these transfers did not require any financing adjustments.

CONDITIONS OF SALE

Based on our understanding of each transaction, there appeared to be no significant property-specific circumstances that would warrant an adjustment for conditions of sale in any of the closed sales. However, 15% downward adjustments were applied to the current listings (Comparables 8 and 9) to account for likely negotiations with potential buyers.

MARKET CONDITION (TIME)

The sales occurred between 2017 and 2025. The oldest sale was included due to its similar location near the subject property in addition to its similar size and quality/condition. We have considered changes in the rate of inflation between 2016 and 2025 as a means of estimating value inflation. The percent change in CPI generally brackets the 1% to 2.5% range between 2013 and 2020 with much higher inflation from 2021-2023 but a return to stabilized levels in 2024-2025:

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Consumer Price Index for All Urban Consumers (CPI-U)

Series Id: CUUR0000SA0 Not Seasonally Adjusted | **Area:** U.S. city average | **Item:** All items | **Base Period:** 1982-84=100 | **Years:** 2016 to 2024

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average	% Change
2016	236.92	237.11	238.13	239.26	240.24	241.04	240.65	240.85	241.43	241.73	241.35	241.43	240.01	1.26%
2017	242.84	243.60	243.80	244.52	244.73	244.96	244.79	245.52	246.82	246.66	246.67	246.52	245.12	2.13%
2018	247.87	248.99	249.55	250.55	251.59	251.99	252.01	252.15	252.44	252.89	252.04	251.23	251.11	2.44%
2019	251.71	252.78	254.20	255.55	256.09	256.14	256.57	256.56	256.76	257.35	257.21	256.97	255.66	1.81%
2020	257.97	258.68	258.12	256.39	256.39	257.80	259.10	259.92	260.28	260.39	260.23	260.47	258.81	1.23%
2021	261.58	263.01	264.88	267.05	269.20	271.70	273.00	273.57	274.31	276.59	277.95	278.80	270.97	4.70%
2022	281.15	283.72	287.50	289.11	292.30	296.31	296.28	296.17	296.81	298.01	297.71	296.80	292.65	8.00%
2023	299.17	300.84	301.84	303.36	304.13	305.11	305.69	307.03	307.79	307.67	307.05	306.75	304.70	4.12%
2024	308.42	310.33	312.33	313.55	314.07	314.18	314.54	314.80	315.30	315.66	315.49	315.61	313.69	2.95%
2025	317.67	319.08	319.80	320.80									319.34	1.80%
													Mean	**3.04%**
													Median	**2.29%**

Therefore, we have concluded a **3.0% per year** time adjustment for the comparable sales.

QUALITATIVE ADJUSTMENTS

Lacking sufficient paired-sales data from which to directly extract dollar adjustments, we have chosen not to apply subjective percentage adjustments for the physical differences among the comparables, such as location, age, size, condition, amenities, etc. Instead, we have chosen to apply qualitative analysis to each of these categories in order to narrow down and bracket a range of unit value indicators for the subject.

LOCATION

The subject property is located just off of East Washington Avenue and State Highway 30 in a suburban location on the east side of Madison. The comparables are generally located in similar suburban locations in the greater Madison or Milwaukee areas.

BUILDING SIZE & DENSITY

Smaller buildings generally sell for a higher unit price (price per square foot), hence would require a downward unit adjustment in comparison to the subject, while larger buildings would require an upward adjustment. A larger building with a greater number of tenants will also be more management intensive and sensitive to market fluctuations and potential vacancies and credit loss risk. This is also a function of the building's relative market share. In a larger metropolitan market, a larger building is less sensitive to minor fluctuations in supply and demand characteristics as compared to an inferior product in a secondary market. Ultimately, the effective age, condition, and income-producing potential are the main determinants of the prices paid for each property.

BUILDING AGE / QUALITY / CONDITION

The age and condition of a property at the time of sale generally directly affects the unit price; hence, older buildings generally require an upward unit adjustment in comparison to the subject, while newer buildings would warrant a downward adjustment. The comparable properties were constructed between 1931 and 2004 (including some more recent additions), which is consistent with the subject's construction. The comparables have varying degrees of quality/condition which reasonably bracket the subject's condition.

The following table summarizes our analysis, based on the preceding comments:

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SALES COMPARISON ADJUSTMENT GRID									
Sale Number	1	2	3	4	5	6	7	8	9
Sale Price/Square Foot	$55.21	$59.13	$60.24	$53.03	$39.20	$90.88	$63.95	$104.67	$43.36
Quantitative Adjustments:									
Property Rights Conveyed	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Conditions of Sale	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-15.00%	-15.00%
Market Conditions (Time)	24.98%	19.06%	14.34%	12.50%	0.30%	4.99%	4.76%	0.00%	0.00%
Adjusted Unit Values									
Sale Price/Square Foot	$69.00	$70.40	$68.88	$59.66	$39.32	$95.41	$66.99	$88.97	$36.86
Qualitative Analysis:									
Location	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar	Similar
Building Size	Similar	Smaller	Larger	Larger	Similar	Smaller	Smaller	Smaller	Similar
Density	Higher	Lower	Lower	Similar	Similar	Lower	Lower	Lower	Higher
Building Age	Similar	Similar	Similar	Similar	Similar	Newer	Similar	Similar	Similar
Quality / Condition	Similar	Similar	Similar	Similar	Similar	Superior	Similar	Superior	Inferior
Overall Comparative Analysis	Similar	Similar	Similar	Similar	Similar	High	Similar	High	Low

CONCLUSION – SALES COMPARISON APPROACH

After quantitative adjustments are applied, the comparables range from $36.86 to $95.41 per square foot with a mean of $66.17 and median of $68.88 per square foot. Comparable 6 is concluded to be superior to the subject due to its newer construction in 1989 and significant amount of excess/surplus land area (18.42:1 land-to-building ratio) including nine single-family lots. Comparable 8 is also concluded to be superior to the subject due to its overall higher quality/condition and partial newer construction in 2021. In addition, Comparable 9 is concluded to be inferior to the subject due to its overall older finishes and inferior condition.

The remaining similar comparables indicate a tighter adjusted range from $39.32 to $70.40 per square foot with a mean of $62.38 and median of $67.94 per square foot. Therefore, we will conclude a value indication of **$65 per square foot** of gross building area above grade for the subject property. This is well bracketed near the middle of the adjusted range of the similar comparables. This indicates the following value indication on an "as-is" basis for the subject's above grade area:

SALES COMPARISON APPROACH	
Price/SF indication:	$65.00
Above-Grade Building Area:	38,617 SF
Value Indication:	$2,510,105
Rounded to:	$2,510,000

This value indication is applied to the subject's above grade area. Meanwhile, the subject property includes 16,206 square feet of gross building area below grade, which includes 7,238 square feet of finished space formerly used as a daycare and 8,968 square feet of unfinished storage space. However, it is noted that we are not aware of how many of the comparables include basement space as publicly available information related to these types of buildings is generally limited since most are owned by tax-exempt entities and are not assessed. Given that the subject's basement space has higher ceilings and is nearly 45% finished, we would expect some additional value to be associated with this basement space.

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Therefore, we will conclude a value indication of **$30 per square foot** of gross building area below-grade for the subject property. This falls slightly below the comparable range, which is reasonable considering this space is below-grade and only partially finished.

This indicates the following value indication on an "as-is" basis for the subject's below-grade area:

SALES COMPARISON APPROACH	
Price/SF indication:	$30.00
Below-Grade Building Area:	16,206 SF
Value Indication:	$486,180
Rounded to:	$486,000

Adding the above grade value indication of **$2,510,000** and the below-grade value indication of **$486,000** results in a total as-is value indication of **$2,996,000** (rounded to **$3,000,000**) from the development of the sales comparison approach. This equates to a value of **$77.69** per square foot of gross building area above grade. This falls slightly above the top of the range of the most similar comparables. This is reasonable considering the subject's significant amount of basement space and inclusion of some additional potential expansion land area.

In addition, this equates to a value of **$54.72** per square foot of gross building area including the basement. This falls in the lower half of the range of the comparables. This is reasonable considering we assume the building areas are based primarily upon above grade area.

RECONCILIATION OF VALUE INDICATIONS

INTRODUCTION

The reconciliation of value indications is the final step in the appraisal process and involves the weighing of the individual valuation approaches in relationship to their substantiation by market data and the reliability of each valuation approach in relation to the subject property. The value indications are summarized as follows:

VALUE INDICATIONS

Valuation Approach	Effective Date of Value	Value Indication
Underlying Land Value	May 14, 2025	$1,175,000
Less: Estimated Demolition Costs:		($450,000)
"As-Is" Value as a Redevelopment Site (Rounded)	May 14, 2025	$725,000
Sales Comparison Approach	May 14, 2025	$3,000,000

RELEVANCE OF THE APPROACHES TO VALUE DEVELOPED

The cost approach provides a good indication of value for properties that are new or that have experienced a normal amount of depreciation. For properties that are older, the cost approach becomes a less reliable indicator of value. Given the age of the improvements, a cost approach was not developed.

The income capitalization approach is based upon the premise that commercial properties are income producing and that investors purchase these properties based on their income-producing ability. The income capitalization approach most closely resembles the type of analysis utilized by investors in income producing properties. Most participants involved in buying and selling commercial properties are mainly concerned with the income-producing capability. The income capitalization approach is typically applied by capitalizing a projected net operating income in a stabilized leasing scenario. Given that this type of property is typically owner-occupied and not leased, the income capitalization approach was not developed.

The sales comparison approach is based on the principle of substitution, which states that no one would pay more for the subject property than the value of similar properties in the market. A comparative analysis of the sale price per square foot was applied in the sales comparison approach. In this appraisal, the sales comparison approach was first utilized to conclude an opinion of value of the fee simple interest in the subject's underlying land and its as-is value as a redevelopment site. The sales comparison approach was then used to develop an opinion of value of the subject property as improved.

Consistent with highest and best use theory, the use that results in the highest present value is typically concluded as the highest and best use of the property and results in the concluded opinion of value. However, these valuation approaches needed to be developed to make this determination and conclusion. Given that the concluded value as improved is significantly greater than the value as a redevelopment site, our concluded opinion of value is equal to the value indication developed in the sales comparison approach. Our concluded opinion of value is summarized as follows.

CONCLUDED OPINION OF VALUE

Market Value Scenario	Effective Date of Value	Opinion of Value
As-Is Fee Simple Market Value	May 14, 2025	$3,000,000

CERTIFICATION

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the subject property and no personal interest with respect to the parties involved.
- The appraisers have performed services related to the subject property within the three year period immediately preceding acceptance of this assignment. Bussen Company issued an appraisal of the subject property to subject ownership on April 6, 2023.
- We have no bias with respect to the subject property or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the *Code of Professional Ethics* and *Standards of Professional Appraisal Practice* of the Appraisal Institute, and the *Uniform Standards of Professional Appraisal Practice*, as set forth by the Appraisal Standards Board of the Appraisal Foundation.
- The appraisers have made a personal inspection of the subject property.
- No one provided significant real property appraisal assistance to the persons signing this certification.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, Andrew G. Bussen, MAI has completed the continuing education program for Designated Members of the Appraisal Institute. Andrew G. Bussen, MAI and Robert Anderson have completed the continuing education program for the State of Wisconsin.

Andrew G. Bussen, MAI
Wisconsin Certified General Appraiser #657

Robert Anderson
Wisconsin Certified General Appraiser #2393

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ADDENDA

PROPERTY INFORMATION FROM PUBLIC RECORDS

APPRAISER LICENSE AND QUALIFICATIONS

© 2025 BUSSEN COMPANY

City of Madison Property Information
Property Address: 3030 Darbo Dr
Parcel Number: 071005210051

Information current as of: 5/19/25 06:00AM

OWNER(S)

THE SALVATION ARMY

5550 PRAIRIE STONE PKWY
HOFFMAN ESTATES, IL 60192

REFUSE COLLECTION

District: 03B

SCHOOLS

District: Madison

PROPERTY VALUE

Assessment Year	Land	Improvements	Total
2024	$0	$0	$0
2025	$0	$0	$0

2024 TAX INFORMATION

Net Taxes:	$0.00
Special Assessment:	$0.00
Other:	$0.00
Total:	$0.00

PROPERTY INFORMATION

Property Type:	Commercial exempt	Property Class:	Exempt
Zoning:	CC-T	Lot Size:	112,060 sq ft
Frontage:	571 - Darbo Dr	Water Frontage:	NO
TIF District:	0	Assessment Area:	9914

RESIDENTIAL BUILDING INFORMATION

No building record is available online for this parcel. Please contact the Assessor's Office for additional information.

SALE/CONVEYANCE DETAILS (includes sales and other forms of conveyances)

Information current as of: 5/19/25 06:00AM

Grantor:	THE SALVATION ARMY		
Grantee:	CITY OF MADISON		
Date of Conveyance:	7/2018	Conveyance Price:	$0.00
Conveyance Type:	Warranty Deed		
Grantor:	THE SALVATION ARMY		
Grantee:	CITY OF MADISON		
Date of Conveyance:	8/2006	Conveyance Price:	$0.00
Conveyance Type:	Warranty Deed		
Grantor:	AMERICAN FAMILY INSURANCE		
Grantee:	THE SALVATION ARMY		
Date of Conveyance:	12/1994	Conveyance Price:	$560,000.00
Conveyance Type:	Warranty Deed		

Grantor:	COX, WILLIAM T		
Grantee:	AMERICAN FAMILY INSURANCE		
Date of Conveyance:	11/1993	Conveyance Price:	$0.00
Conveyance Type:	Other		
Grantor:	LEMANSKI, MARTHA A		
Grantee:	AMERICAN FAMILY INSURANCE		
Date of Conveyance:	11/1993	Conveyance Price:	$0.00
Conveyance Type:	Other		
Grantor:			
Grantee:			
Date of Conveyance:	10/1972	Conveyance Price:	$170,000.00
Conveyance Type:	Warranty Deed		

LEGAL DESCRIPTION

Information current as of: 5/19/25 06:00AM

Notice: This description may be abbreviated and is for assessment purposes only. It should not be used to transfer property

Lot Number:	0
Block:	0

CERTIFIED SURVEY MAP NO 7652 RECORDED IN DANE, COUNTY REGISTER OF DEEDS IN VOL 40 PAGE 47 OF, CERTIFIED SURVEYS EXCEPT THAT PART AS DESC IN, PARCEL 1, TRANSPORATION PROJECT NO. 53W0348-4.01;, LOT 2, EXCEPT THAT PART CONVEYED IN DOC 5424962, FOR NEW PUBLIC CITY STREET.

Property Information Questions?

Assessor's Office
210 Martin Luther King, Jr. Boulevard, Room 101
Madison, Wisconsin 53703-3342
Phone: (608) 266-4531
Email: assessor@cityofmadison.com

REAL PROPERTY TAX INFORMATION FOR 2024

Information current as of: 5/19/25 07:00AM

Category	Assessed Value	Average Assessment Ratio	Est. Fair Market Value
Land	0	99.230000%	0
Improvements	0	99.230000%	0
Total	0	99.230000%	0
Net Assessed Value Rate (mill rate)			0.017702972
School Levy Tax Credit			0.00

Taxing Jurisdiction	2023 Net Tax	2024 Net Tax	% Tax Change
DANE COUNTY	0.00	0.00	0.0%
MATC	0.00	0.00	0.0%
CITY OF MADISON	0.00	0.00	0.0%
MADISON SCHOOL	0.00	0.00	0.0%
Total	0.00	0.00	0.0%
First Dollar Credit	0.00	0.00	0.0%
Lottery & Gaming Credit	0.00	0.00	0.0%
Net Property Tax	0.00	0.00	0.0%

Total Due

Installment	Due Date

Full Amount	1/31/2025	$0.00

Transaction Information

Please note: As of today's date, no payments have been received on this parcel.

Tax Information Questions?

Treasury
210 Martin Luther King, Jr. Boulevard, Room 101
Madison, Wisconsin 53703-3342
Phone: (608) 266-4771
Email: treasury@cityofmadison.com

Disclaimer: The City of Madison collects and displays tax payments only for the current tax season of December through July 31st. If you have questions regarding property taxes for prior tax years, please contact the Dane County Treasurer's Office at (608) 266-4151 or for tax payment history, go to Dane County's Access Dane.

REAL PROPERTY TAX REFERENDA INFORMATION FOR 2024

Information current as of: 5/19/25 07:00AM

For informational purposes only - Voter approved temporary tax increase

Taxing Jurisdiction	Total Additional Taxes	Total Additional Taxes Applied to Property	Year Increase Ends
MADISON SCHOOL, RF-4990	17,630,240.59	0.00	2042

For informational purposes only - Wisconsin law requires information to be displayed for any temporary property tax increases approved through a referendum or resolution by a county, municipality, school district, or technical college. If you would like more information, contact the taxing jurisdiction directly.

Tax Referenda Information Questions?

Treasury
210 Martin Luther King, Jr. Boulevard, Room 101
Madison, Wisconsin 53703-3342
Phone: (608) 266-4771
Email: treasury@cityofmadison.com

SPECIAL ASSESSMENTS

Information current as of: 5/16/25 10:00PM

No Special Assessments exist for Parcel Number 071005210051.
Please contact the Finance Office for additional information.

Special Assessment Questions?

Finance Office
210 Martin Luther King, Jr. Boulevard, Room 406
Madison, Wisconsin 53703-3345
Phone: 266-4671
Email: finance@cityofmadison.com

NO. 657 - 10

EXPIRES: 12/14/2025

The State of Wisconsin
Department of Safety and Professional Services
REAL ESTATE APPRAISERS BOARD

Hereby certifies that

Andrew G Bussen

was granted a license to practice as a

APPRAISER, CERTIFIED GENERAL

(551)
in the State of Wisconsin in accordance with Wisconsin Law
on the 30th day of November in the year 1994.
The authority granted herein must be renewed each biennium by the granting authority.
In witness thereof, the State of Wisconsin
Real Estate Appraisers Board
has caused this certificate to be issued under
the seal of the Department of Safety and Professional Services

STATE OF WISCONSIN · FORWARD · DEPT. OF SAFETY AND PROFESSIONAL SERVICES

DSPS Secretary

This certificate was printed on the 29th day of November in the year 2023

QUALIFICATIONS
OF
ANDREW G. BUSSEN, MAI

EDUCATION

UNIVERSITY OF WISCONSIN - MADISON - Madison, Wisconsin
B.B.A., Real Estate and Urban Land Economics, 12/91
This program is rated as one of the top real estate education programs in the country.

EXPERIENCE

BUSSEN COMPANY OF WISCONSIN, INC. (D/B/A BUSSEN COMPANY)
Madison, Wisconsin (2004-Present)
President
Commercial real estate appraisal and consulting

PGP VALUATION, INC., San Diego, California (2002-2004)
Manager/Appraiser
Manager and appraiser; also performed subcontract appraisal services for this company; this company is now part of Colliers International

MILLENNIUM REAL ESTATE GROUP, INC. & BUSSEN VALUATION, LLC., Middleton, Wisconsin (2008-2002)
Managing Member (BV) and Secretary/Treasurer/VP (Millennium Real Estate Group)

ERNST & YOUNG LLP, Milwaukee, Wisconsin and Chicago, Illinois (7/96 - 6/98)
Valuation Consultant - National Property Tax Group
Review of real and personal property assessments; preparation and filing of real and personal property returns; research data for use in the preparation of appeals to assessors, Boards of Review, and Tax Appeals Commission level hearings.

APPRAISAL BACKGROUND

Throughout my employment experience, I have performed appraisals and related services for a variety of income-producing and special purpose property types, including (but not limited to) the following:

- ♦ Office buildings
- ♦ Apartment/multi-family
- ♦ Hotel/lodging facilities
- ♦ Retail/shopping centers
- ♦ Churches and schools
- ♦ Tax credit housing
- ♦ Cold storage facilities
- ♦ industrial/warehouse and distribution facilities
- ♦ health care facilities (including medical clinics and nursing homes)
- ♦ corporate headquarters facilities (> 1M SF)
- ♦ subdivision development (including retail, multi- and single-family residential, condominium)
- ♦ Senior living facilities (CBRF and RCAC)
- ♦ Triple-net lease properties (NNN)
- ♦ Portfolio valuations

PROFESSIONAL AFFILIATIONS

- Designated Member of the Appraisal Institute (MAI)
- Wisconsin Certified General Appraiser – License #657
- Wisconsin Real Estate Broker - License #47888

- Idaho Real Estate Broker – License #AB51482

- California Certified General Real Estate Appraiser - License #AG028043
- California Real Estate Broker – License #01362637

- Director (2021-2022) - Wisconsin Chapter of the Appraisal Institute
- Member – Wisconsin Realtors Association (WRA)
- Member - National Association of Realtors (NAR)

- Appraisal Institute – MAI Candidate Advisor to individuals pursuing the MAI Designation

OTHER

- 2021-2022 - Worked with Wisconsin State Senator Andre' Jacque (R) and State Representative Paul Tittl (R) to pass Statute of Repose Legislation in the State of Wisconsin which limits the timeframe that an action can be brought against an appraiser (Senate Bill 341). Lobbied legislators at the State Capitol to garner support for legislation and testified at a hearing in front of the Assembly Committee on Housing and Real Estate. Actively worked with a bill drafter to write legislation. This bill passed through numerous levels of committees with no opposition and bipartisan support. Governor Tony Evers signed this legislation, which was passed into law in March 2022.

- Nominated to Madison's ***In Business*** Magazine's "40 Under 40" Publication in 2006

- Experience related to appraisal and property tax consulting includes expert witness testimony and/or client representation at various levels of property tax appeal hearings

- Software proficiency includes Microsoft Word and Excel, ARGUS and other miscellaneous programs

- Have performed subcontract appraisal work with CB Richard Ellis and PGP Valuation

- Real estate projects have included spec-home development in desert communities, small income property (multifamily) and office building market repositioning and selloff, and land holdings for future redevelopment along commercial corridors

NO. 2393 - 10

EXPIRES: 12/14/2025

The State of Wisconsin
Department of Safety and Professional Services
REAL ESTATE APPRAISERS BOARD

Hereby certifies that

Robert Allen Anderson

was granted a license to practice as a

APPRAISER, CERTIFIED GENERAL

(551)
in the State of Wisconsin in accordance with Wisconsin Law
on the 20th day of November in the year 2018.
The authority granted herein must be renewed each biennium by the granting authority.
In witness thereof, the State of Wisconsin
Real Estate Appraisers Board
has caused this certificate to be issued under
the seal of the Department of Safety and Professional Services

STATE OF WISCONSIN · FORWARD · DEPT. OF SAFETY AND PROFESSIONAL SERVICES

DSPS Secretary

This certificate was printed on the 27th day of November in the year 2023

QUALIFICATIONS
OF
Robert A. Anderson

EDUCATION

UNIVERSITY OF WISCONSIN - MADISON - Madison, Wisconsin
B.B.A., Real Estate and Urban Land Economics, 12/14
This program is rated as one of the top real estate education programs in the country.
B.B.A., Finance, Investment and Banking, 12/14

EXPERIENCE

BUSSEN COMPANY OF WISCONSIN, INC. (D/B/A BUSSEN COMPANY)
Madison, Wisconsin (09/2014-Present)
Certified General Appraiser and Real Estate Broker
Services include commercial real estate appraisal and consulting; personal property and real property tax consulting; market/feasibility studies; and assisting clients with buying and selling real estate.

CAPITAL WEALTH ADVISORY GROUP, Madison, Wisconsin (12/2012-09/2014)
Intern
Completed portfolio reviews to examine asset allocations of clients. Created and maintained excel templates for advisor and client use. Lead team-wide projects focused on better serving clients nearing retirement. Interview prospective interns and create, manage, staff and budget their summer projects.

PROFESSIONAL AFFILIATIONS

- Wisconsin Certified General Appraiser – License #2393
- Wisconsin Real Estate Broker – License #58279-90
- Member - University of Wisconsin Real Estate Alumni Association (WREAA)
- Member – Wisconsin Realtors Association (WRA)
- Member – National Association of Realtors (NAR)

REAL ESTATE EDUCATION

University of Wisconsin – Madison
Courses attended en route to awarding of Undergraduate Degree:

- 306 – The Real Estate Process
- 312 – Real Estate Law
- 410 – Real Estate Finance
- 415 – Valuation of Real Estate
- 420 – Urban and Regional Economics
- 611 – Residential Property Development

AWARDS

- **Madison Commercial Broker Group Scholarship Recipient (Spring 2014)**
  Scholarship received for essay written about real estate career goals and aspirations.

- **Brand Award of Excellence in Real Estate Analysis (Fall 2012)**
  Award received for submitting the best appraisal of a Madison office building for the Valuation of Real Estate class at UW-Madison.

REFERENCES Available Upon Request

APPRAISAL REPORT OF THE

SALVATION ARMY OFFICE BUILDING

LOCATED AT 3030 DARBO DRIVE

CITY OF MADISON, DANE COUNTY, WISCONSIN 53714

DATE OF VALUATION: MAY 28, 2025
DATE OF REPORT: JULY 11, 2025

PREPARED FOR:
MR. MICHAEL SJOGREN
SALVATION ARMY OF DANE COUNTY

PREPARED BY:
MEICHER REAL ESTATE LLC
KEVIN F. MEICHER

MEICHER
REAL ESTATE LLC
COMMERCIAL REAL ESTATE APPRAISAL SERVICES

MEICHER
REAL ESTATE LLC
COMMERCIAL REAL ESTATE APPRAISAL SERVICES

July 11, 2025

Salvation Army of Dane County
Mr. Michael Sjogren
3030 Darbo Drive
Madison, Wisconsin 53714

Re: Appraisal Report of Salvation Army Office Building located at 3030 Darbo Drive, in the City of Madison, Dane County, Wisconsin 53714

Dear Mr. Sjogren:

The enclosed Appraisal Report has been prepared in response to your request. The report is subject to the Code of Ethics and Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation. In addition, the report has been written to comply with Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) and the Interagency Appraisal and Evaluation Guidelines adopted in 2010. This report has also been prepared in accordance with the operative engagement letter contained in the addendum.

The accompanying report, to which this letter is attached, describes the site and building improvements (the "subject property"), pertinent data considered, and discusses the methods of appraisal used in reaching our conclusions. The opinions of value contained herein are subject to the Statement of Assumptions and Limiting Conditions included within.

The market value estimates are based upon a physical inspection of the property by Kevin F. Meicher on May 28, 2025, as well as a review of information made available by the property representative(s) and public records. This information forms the basis and serves as a guide for the valuation.

1480 Oak Opening Drive
Stoughton, Wisconsin 53589

Phone: (608) 833-3176
Email: kevin@mreappraisal.com

The subject site contains approximately 112,060 square feet (2.57 acres) and is irregular in shape with level topography. The site has approximately 570 feet of frontage along Darbo Drive and 305 feet of frontage along Richard Davis Lane. Site improvements include asphalt surfaced driveway and parking areas, concrete walkways and curbing, lighting, signage, and average landscaping. The site is zoned CC-T, Commercial Corridor - Transition District, per the City of Madison.

The Salvation Army Office Building was originally constructed in 1962 with addition in 1966. The Salvation Army purchased the building for owner occupancy in 1994 and completed a gymnasium addition in 2012. This facility is Class C constructed with Class C market orientation. This facility features multiple private offices, meeting rooms, commercial kitchen, game rooms, gymnasium with basketball court and fitness room. The facility includes 33,183 square feet of office space that includes 7,238 square feet of finished basement area. The gymnasium contains approximately 12,112 square feet. There is an additional 5,096 square feet of unfinished basement area utilized for storage.

This facility is constructed upon a concrete foundation and reinforced concrete slab, with steel and concrete framed structures, and brick and wood exterior facade. The roof is hip style with asphalt shingles, flat style with a rubber membrane roof, and gable style with steel coverings. Interior features include ceramic tile, vinyl tile, and carpeted flooring; painted drywall; acoustical tile ceilings with recessed fluorescent lights; wood trim and solid core doors. The building has multiple interior staircases and freight elevator serving all levels. This building is heated and cooled via forced air furnace and central air conditioning.

The interest appraised includes the Fee Simple estate, therefore market lease rates have been utilized. By virtue of the inspection, research, and analyses, it is our opinion that the Market Values of the subject property are as follows:

The Salvation Army Facility 3030 Darbo Drive, Madison, WI	
Fee Simple Market Value as of	"As Is" 5/28/2025
FINAL RECONCILED VALUE	
Building Improvements including Land	**$3,600,000**

Our compensation is not contingent upon the value reported. We appreciated the opportunity to work with you on this engagement, and are available to answer any questions you may have concerning the analysis and conclusions.

Respectfully submitted,
MEICHER REAL ESTATE LLC

Kevin F. Meicher
Wisconsin Certified General Appraiser #758

William P. Mueller
Appraiser Trainee

1480 Oak Opening Drive
Stoughton, Wisconsin 53589

Phone: (608) 833-3176
Email: kevin@mreappraisal.com

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SECTION I: SUBJECT PROPERTY PHOTOGRAPHS

EXTERIOR VIEW

EXTERIOR VIEW

EXTERIOR VIEW

EXTERIOR VIEW

INTERIOR VIEW

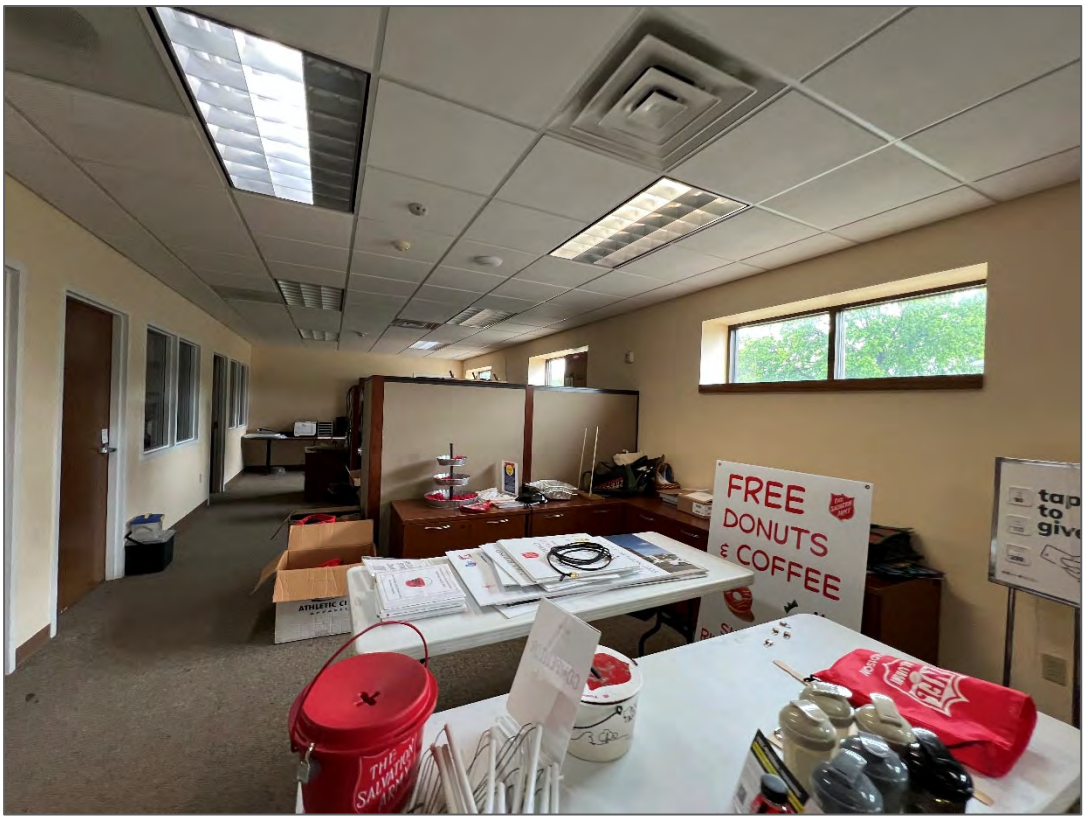
INTERIOR VIEW

EXTERIOR VIEW

EXTERIOR VIEW

INTERIOR VIEW

INTERIOR VIEW



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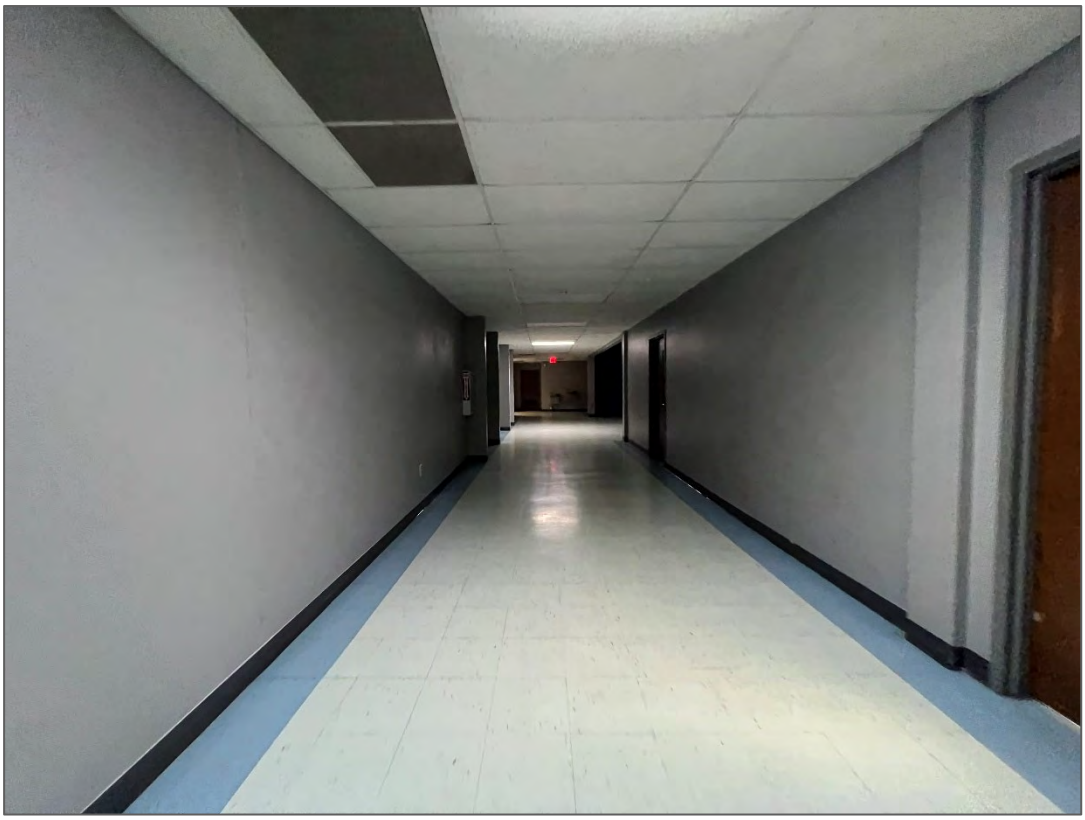
INTERIOR VIEW



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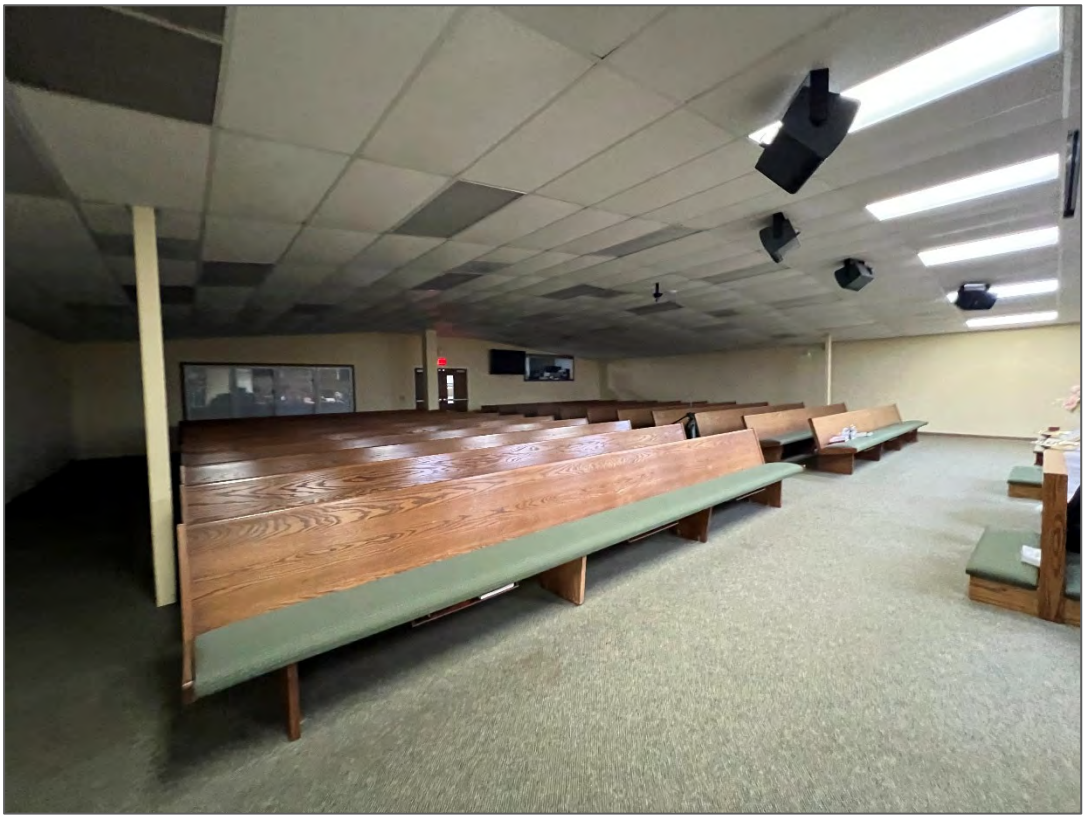

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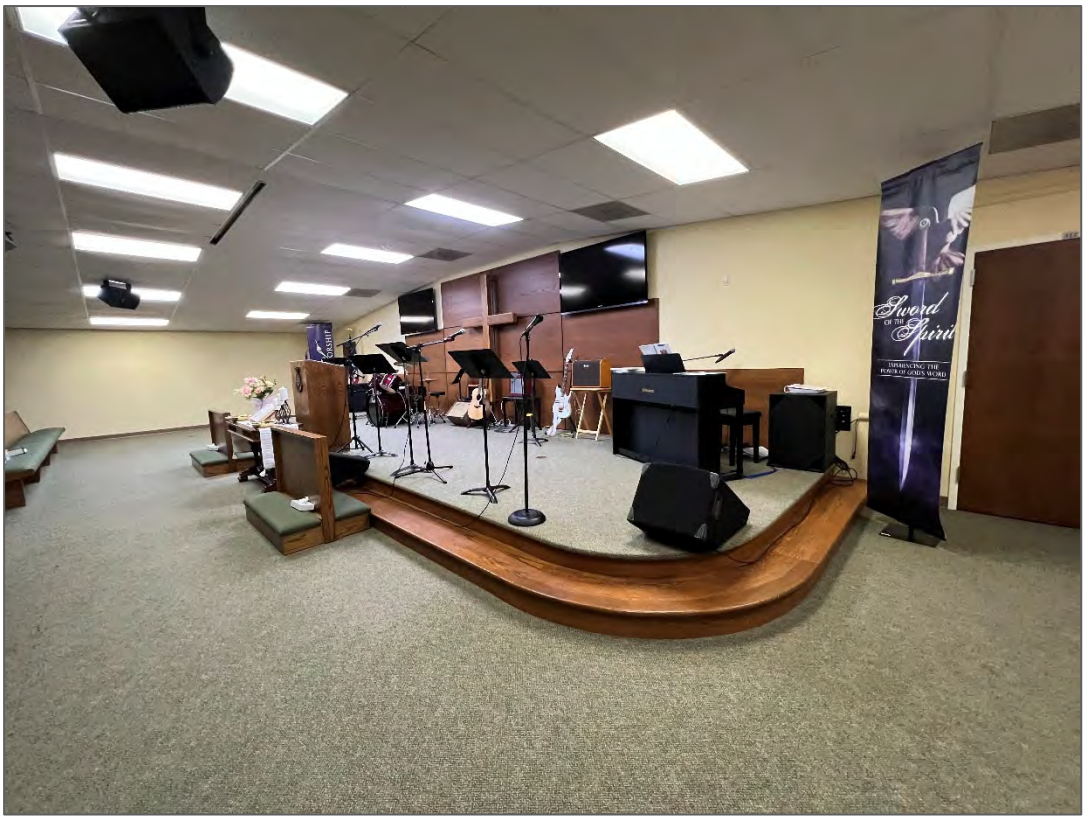

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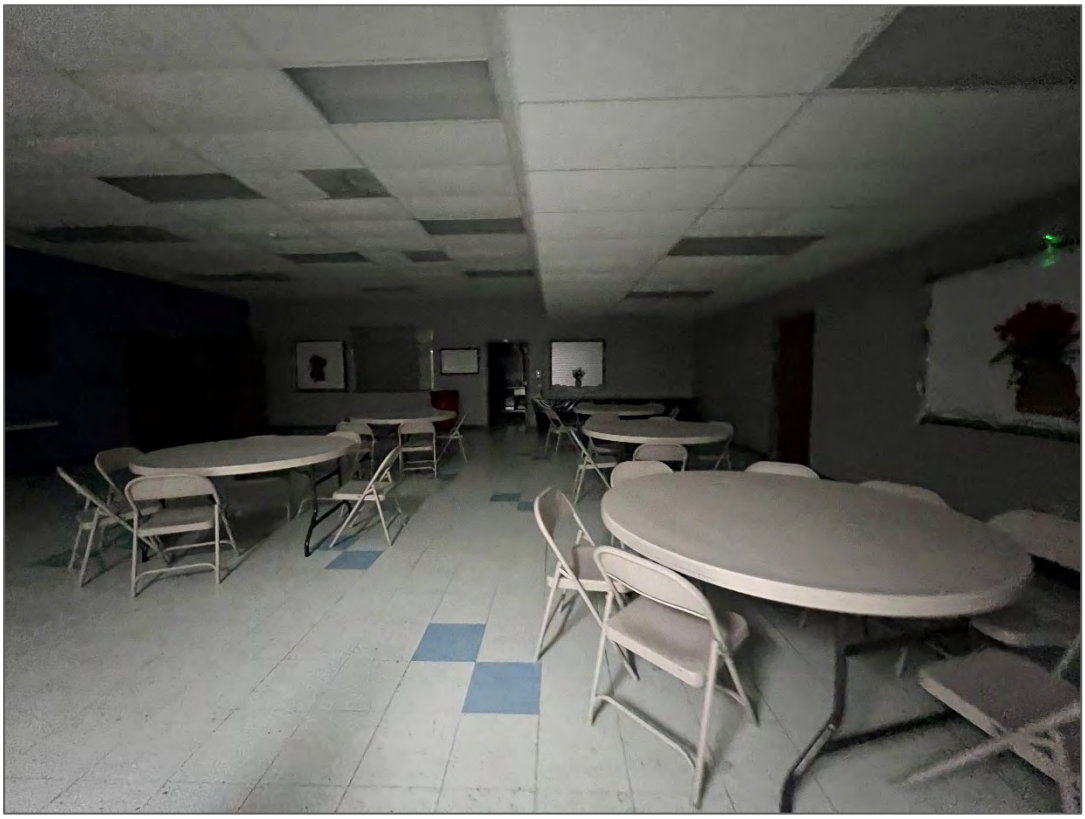

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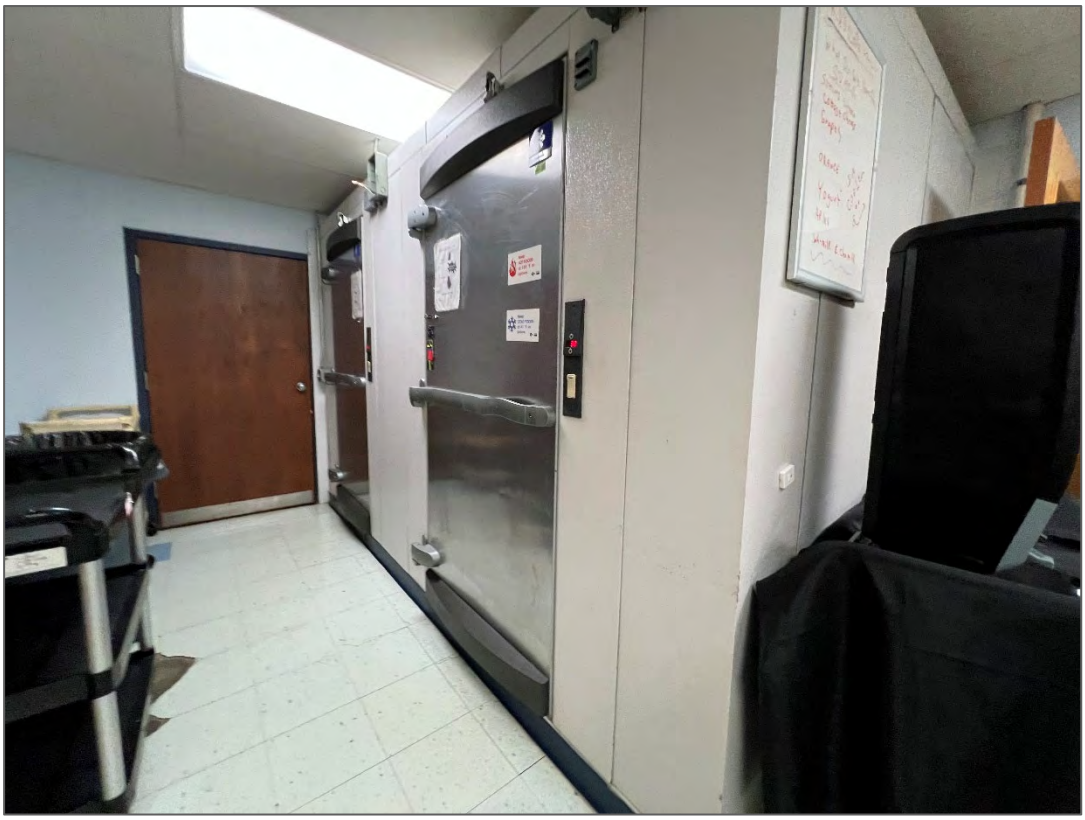

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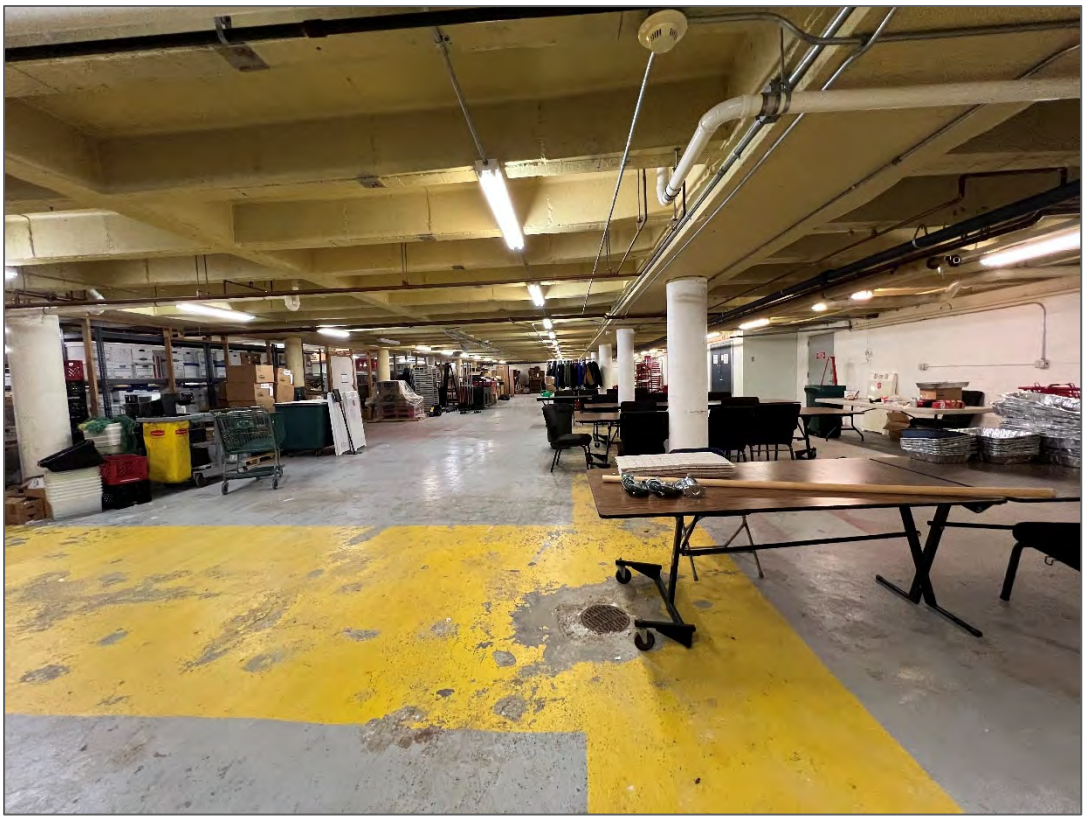

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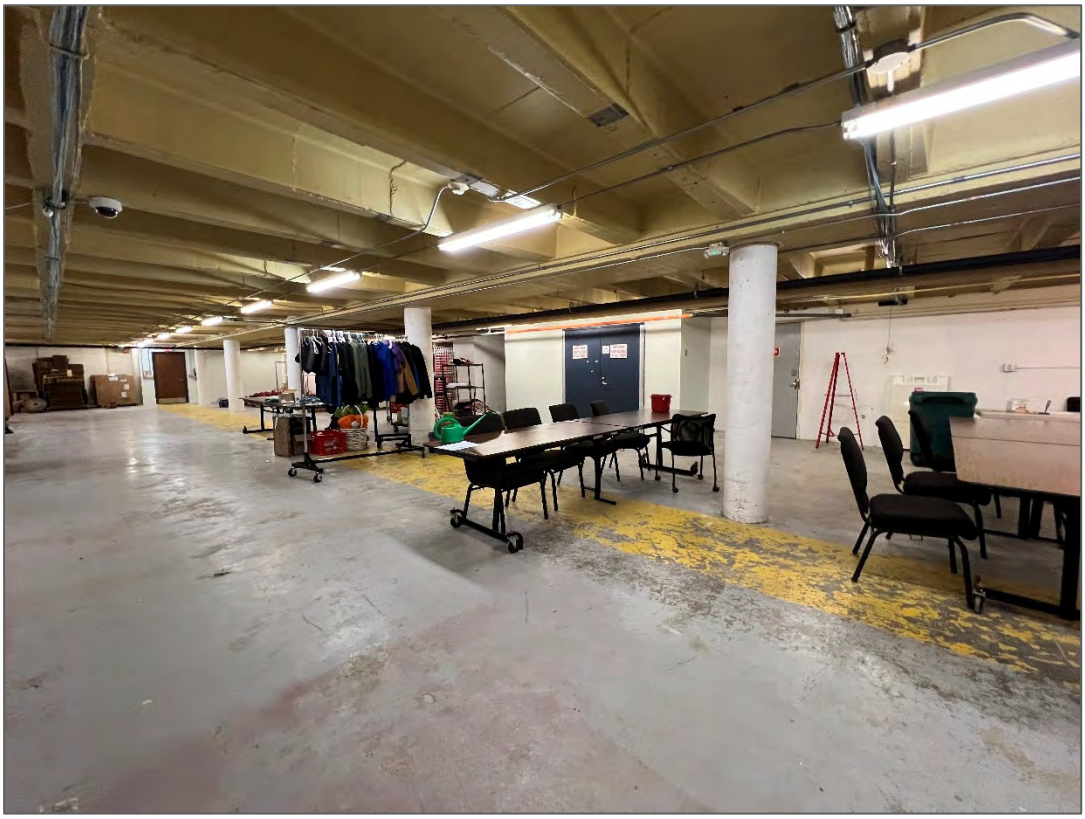

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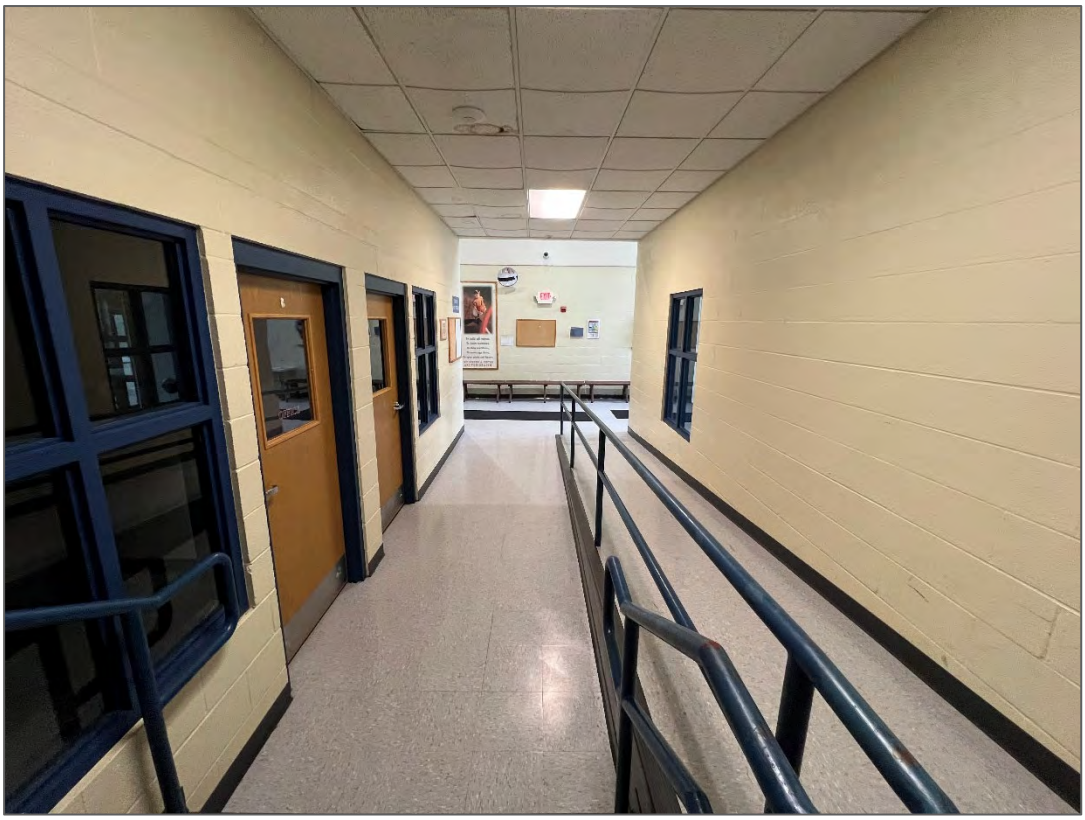

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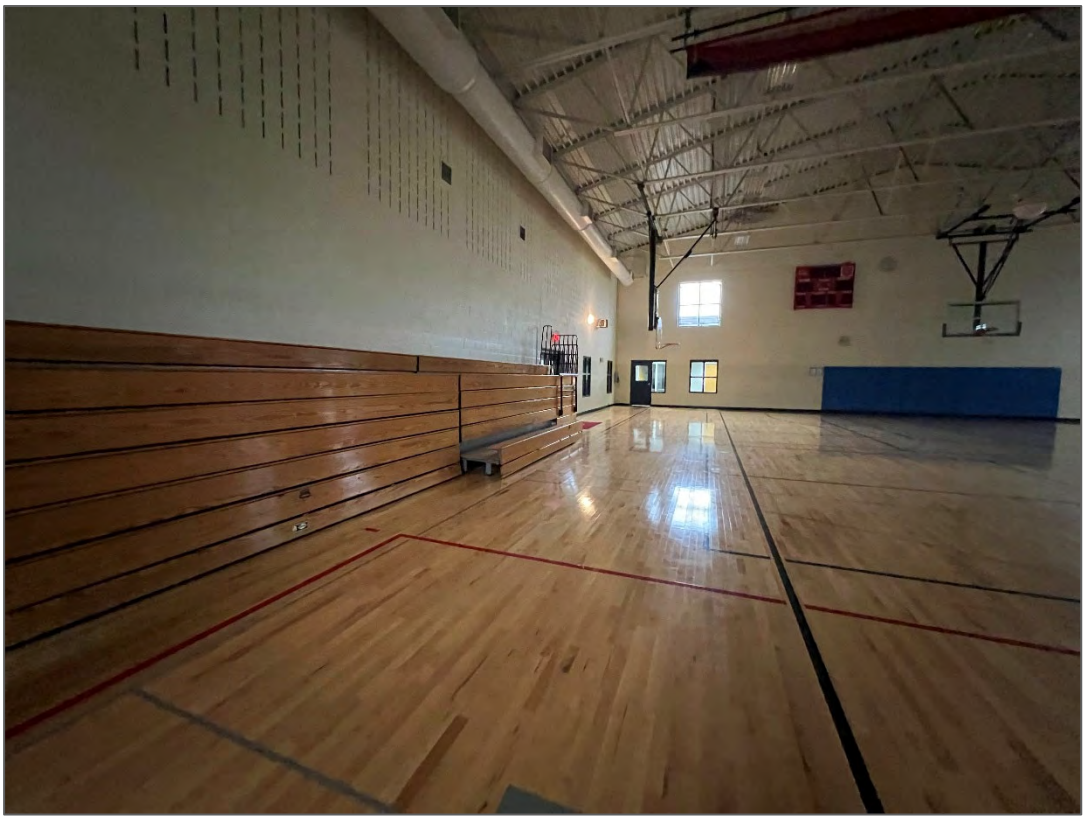

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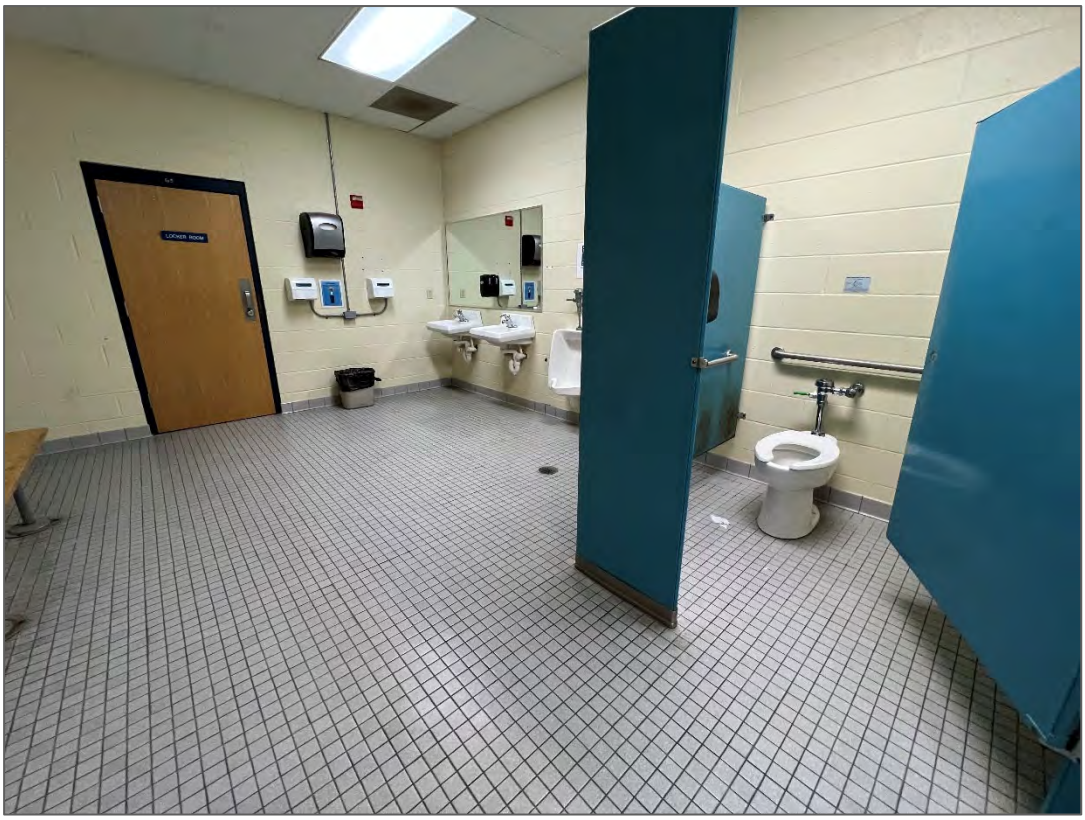
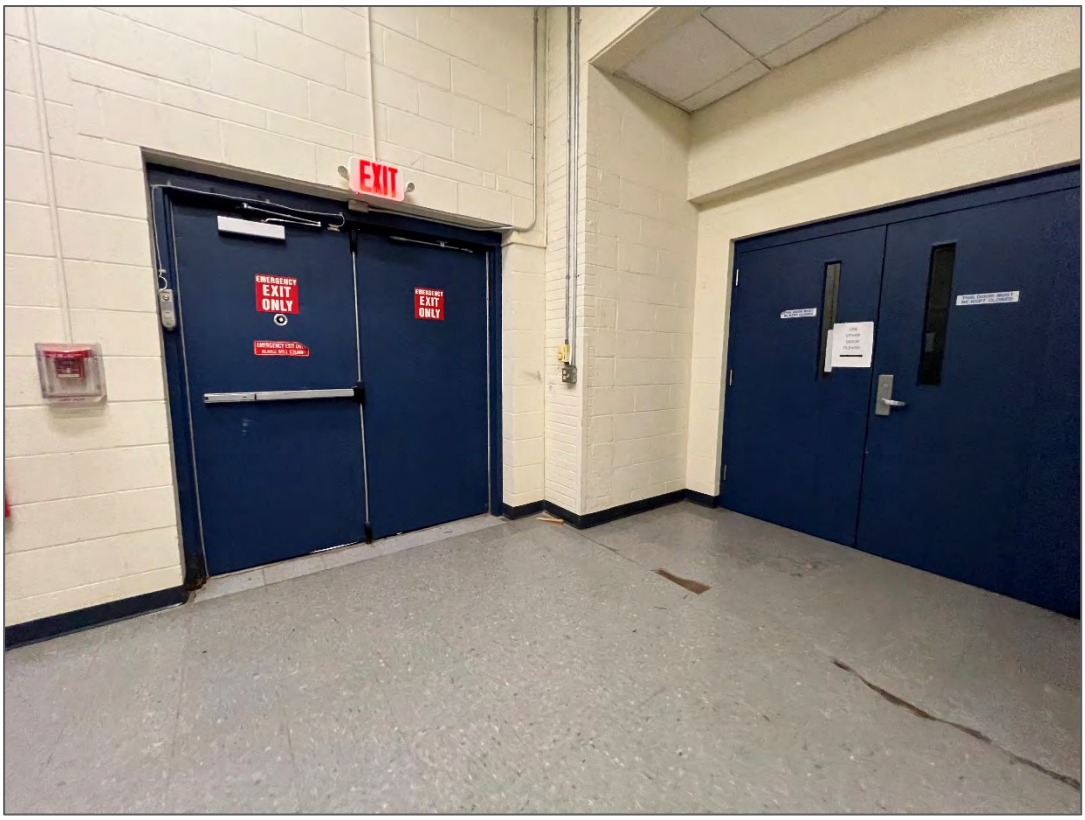


INTERIOR VIEW

INTERIOR VIEW

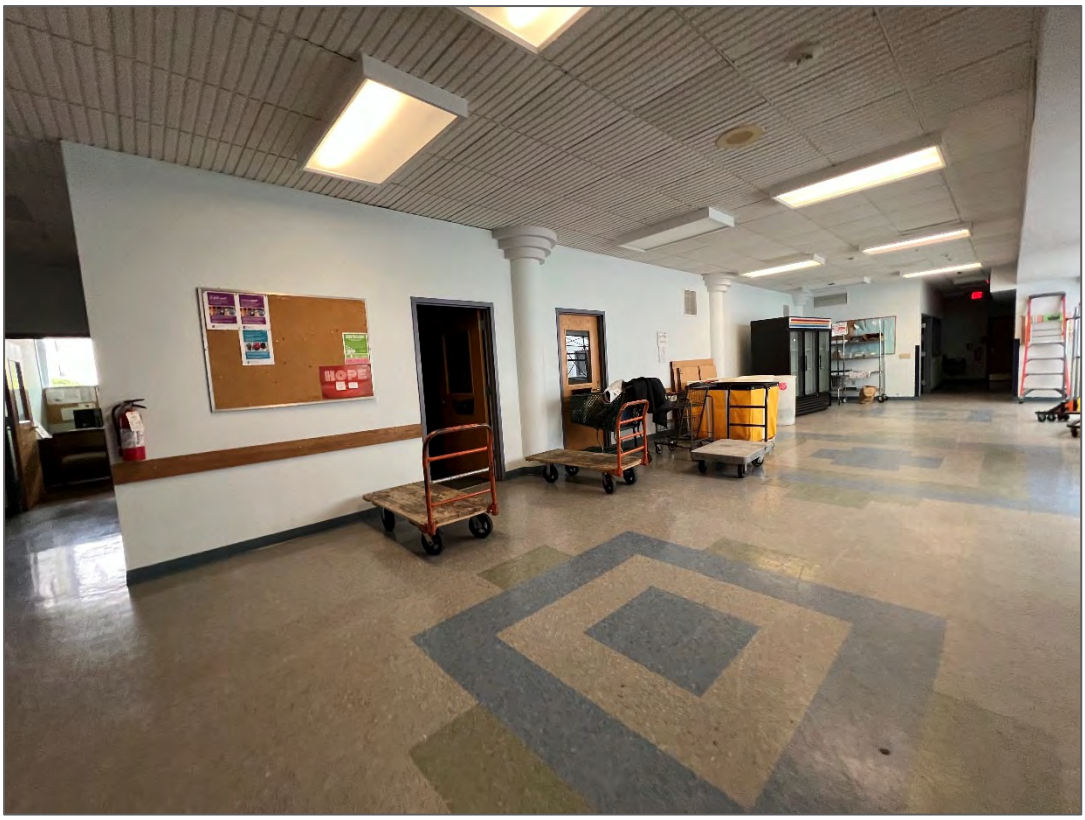


INTERIOR VIEW

INTERIOR VIEW

INTERIOR VIEW

INTERIOR VIEW



INTERIOR VIEW

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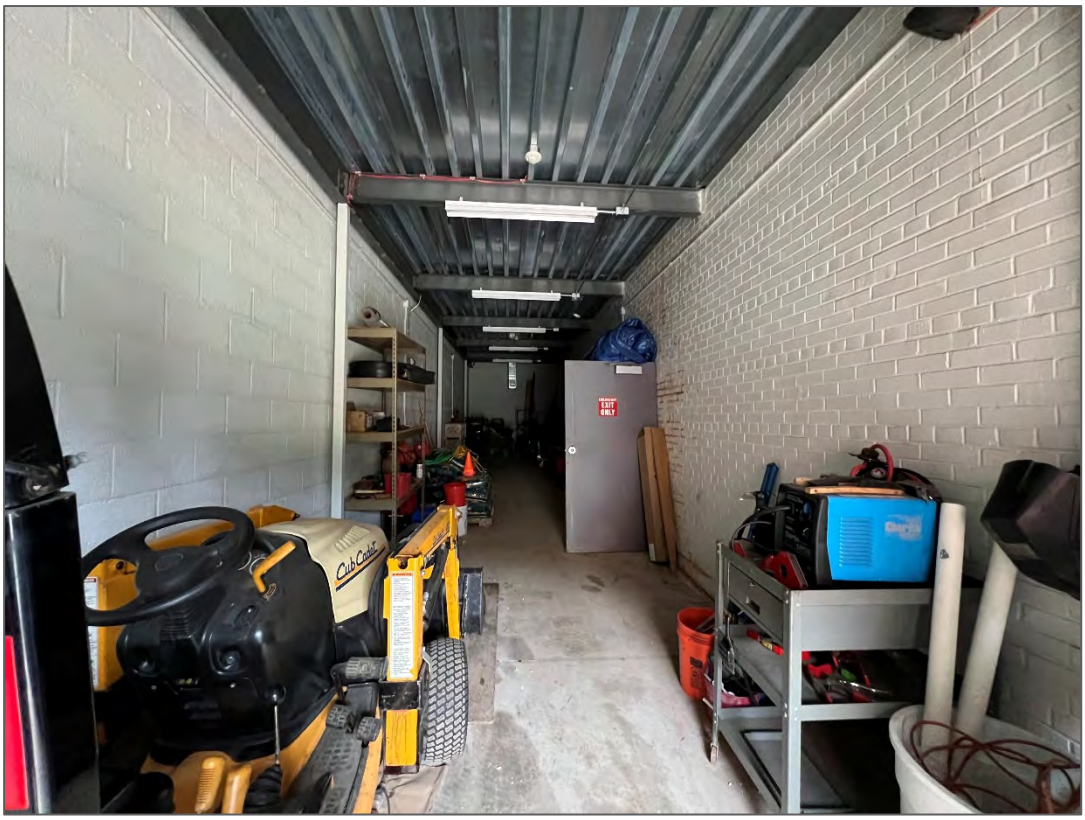


INTERIOR VIEW

STREET VIEW

STREET VIEW

SECTION II: EXECUTIVE SUMMARY

Executive Summary

Property Name: Salvation Army Office Building

Property Location: 3030 Darbo Drive, City of Madison, Dane County, Wisconsin 53714

Property Type: Class C Office Building with Gymnasium

Owner of Record: The Salvation Army

Site Description

Site Area: 112,060 square feet (2.57 acres)

Frontage: 570 feet of frontage along Darbo Drive and 305 feet of frontage along Richard Davis Lane

Zoning: CC-T, Commercial Corridor - Transition District

Floodplain: According to the Federal Emergency Management Agency (FEMA), the subject is within Zone X, a low to moderate risk flood zone.

Improvement Description

Building Area:

Building Area	Built	Square Feet
Office Building	**1962/1966/2012**	
Lower Level - Storage		5,096
Lower Level - Office		7,238
First Floor - Office		25,945
Gymnasium		12,112
Total Building Area		**50,391**
Gross Finished Building Area		**45,295**

Occupancy: 100% owner occupied

Age (Year Built): 13 to 63 years (1962/1966/2012)

Effective Age: 10 to 20 years

Construction Features:

The Salvation Army Office Building was originally constructed in 1962 with addition in 1966. The Salvation Army purchased the building for owner occupancy in 1994 and completed a gymnasium addition in 2012. This facility is Class C constructed with Class C market orientation. This facility features multiple private offices, meeting rooms, commercial kitchen, game rooms, gymnasium with basketball court and fitness room. The facility includes 33,183 square feet of office space that includes 7,238 square feet of finished basement area. The gymnasium contains approximately 12,112 square feet. There is an additional 5,096 square feet of unfinished basement area utilized for storage.

This facility is constructed upon a concrete foundation and reinforced concrete slab, with steel and concrete framed structures, and brick and wood exterior facade. The roof is hip style with asphalt shingles, flat style with a rubber membrane roof, and gable style with steel coverings. Interior features include ceramic tile, vinyl tile, and carpeted flooring; painted drywall; acoustical tile ceilings with recessed fluorescent lights; wood trim and solid core doors. The building has multiple interior staircases and freight elevator serving all levels. This building is heated and cooled via forced air furnace and central air conditioning.

VALUATION ASSUMPTIONS

Highest and Best Use:

As Vacant:	Commercial Development
As Improved:	Current use as an Office Building

Interest Appraised: Fee Simple

Date of Valuation: May 28, 2025

Date of Report: July 11, 2025

Est. Marketing Period: 9 - 18 months

The Salvation Army Facility 3030 Darbo Drive, Madison, WI	
Fee Simple Market Value as of	**"As Is" 5/28/2025**
Cost Approach	
Building Improvements including Land	Not Developed
Sales Comparison Approach	
Building Improvements including Land	$3,620,000
Income Capitalization Approach	
Building Improvements including Land	$3,560,000
FINAL RECONCILED VALUE	
Building Improvements including Land	**$3,600,000**
Financial Indicators - Fee Simple	
Market Value per Sq Ft	$79.48
Effective Gross Income per Sq Ft	$7.86
Net Operating Income per Sq Ft	$6.87
Expense Ratio	12.55%
Capitalization Rate	8.75%

SECTION III: ASSIGNMENT PROCESS SUMMARY

Assignment Process Summary

In developing a real property appraisal, an appraiser must identify the problem to be solved, determine the scope of work necessary to solve the problem, and correctly complete research and analyses necessary to produce a credible appraisal.

For each appraisal, appraisal review, and appraisal consulting assignment an appraiser must identify the scope of work performed. Following the Scope of Work principle, the appraiser must first identify the client, the intended user(s), the intended use of the assignment results, and the type of value being developed.

Subject Property Identification

The subject property is identified as follows:

Legal Owner/History:	The current owner of the property is The Salvation Army. There have been no other sales within our five year sale history search.
Property Address:	3030 Darbo Drive, City of Madison, Dane County, Wisconsin 53714
Tax ID Number(s):	251/0710-052-1005-1
Legal Description:	A copy of the Title Insurance Policy(s) was not provided to the appraiser, therefore this report is subject to review the legal description if/when the policy becomes available.

Client Information

This appraisal report is being completed for Mr. Michael Sjogren of the Salvation Army of Dane County, 3030 Darbo Drive, Madison, Wisconsin. The Salvation Army of Dane County and/or its affiliates are the intended users of this appraisal.

Use of the Appraisal

It is our understanding this appraisal is to be used for internal decision-making purposes.

PURPOSE OF THE APPRAISAL

The purpose of this assignment is to determine the Fee Simple Market Value of the subject property in "As Is" condition.

Definitions

These terms are defined by *The Dictionary of Real Estate Appraisal,* 7th edition, as follows:

Market Value: *The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably and assuming the price is not affected by undue stimulus." Implicitly in this definition is the consummation of the sale as of a specified date and the passing of title from seller to buyer under conditions whereby:*

1. *Buyer and seller are typically motivated;*
2. *Both parties are well informed or well advised, and acting in what they consider their best interests;*
3. *A reasonable time is allowed for exposure in the open market;*
4. *Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
5. *The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

The value conclusions reported herein assumes a "cash to seller" transaction.

Fee Simple Estate: *An absolute ownership interest unencumbered by any other interest or estate; subject to only the limitations of eminent domain, escheat, police power, and taxation.*

Leased Fee Estate: *An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of lesser or the leased fee owner and leased fee are specified by contract terms contained within the lease.*

With the exception of the leases and any deed restrictions or easements of record, the fee is assumed to be free and clear of all other liens, encumbrances, restrictions and/or defects of title. Notwithstanding the foregoing definition, encumbrances that run with the fee ownership of the property are utility easements and declarations per municipal approvals including the zoning currently in place. No additional reservations were reported. However, we recommend that a current and complete title search and survey be done on the property to determine the existence of any additional easements and encumbrances. Conditions of record and the valuation estimates contained in this report are subject to a current title search. The market values expressed and the property rights appraised are subject to these public utility easements, set back requirements, and any additional easements or encumbrances that may be determined as a result of a current title search and survey.

Exposure Time: *The estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale* at market value **on** the effective *date of the appraisal.*

Marketing Time: *The estimated length* of time the property interest being appraised would have to be offered on the market prior to the hypothetical consummation of a sale at market value **after** the effective date of the appraisal.

It is the appraiser's opinion the estimated marketing time and exposure time for this property would be 9 to 18 months under a Market Value scenario. This marketing time is based upon a review of similar properties in the market area, a review of statistical data from the Multiple Listing Service (MLS), and discussions with brokers knowledgeable in the marketing and sale of these types of properties.

Extraordinary Assumptions: An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. There are no Extraordinary Assumptions associated with this valuation.

Hypothetical Conditions: *That which is contrary to what exists but is supposed for the purpose of the analysis.*

There are no Hypothetical Conditions associated with this valuation.

Jurisdictional Exceptions: *An assignment condition established by applicable law or regulation, which precludes an appraiser from complying with a part of USPAP.* There are no Jurisdictional Exceptions associated with this valuation.

Dates of Value

The effective date of the "As Is" value estimate(s) is May 28, 2025, which coincides with the date of the physical inspection of the property by Kevin F. Meicher. This report date is July 11, 2025.

Disclosure of Prior Services

USPAP requires disclosure of prior services provided related to the subject property within the previous three years. We have provided previous appraisal services related to the subject property in 2023.

Scope of Work

As mentioned previously, in developing a real property appraisal, an appraiser must identify the problem to be solved, determine the scope of work necessary to solve the problem, and correctly complete research and analyses necessary to produce a credible appraisal. The appraiser must also be sure that the scope of work meets or exceeds both the expectations of the intended users and what the appraiser's peer's actions would be, as well as that their scope of work can be understood by the "general public". In preparing the appraisal, the appraiser:

- Inspected the subject site and improvements
- Reviewed and analyzed information provided by property representative(s) and public records, including the subject's site and building plans, and operating expense history
- Gathered information on comparable improved sales, comparable rents, operating expenses, and capitalization and yield rates
- Confirmed all comparable sales information with at least one of the parties of the transaction, listing or sales agent, register of deeds, and/or assessor files
- Analyzed the data and applied the sales comparison, and income capitalization approaches to estimate the "As Is" market values of the subject property; excluded the cost approach as it was not considered applicable

Appraisal Standards and Reporting Guidelines

The Uniform Standards of Professional Appraisal Practice (USPAP) allows for two individual types of reports: the Appraisal Report or the Restricted Appraisal Report. The essential difference between these two options is the content and level of information provided. The appropriate reporting option is dependent on intended use and intended users. An Appraisal Report prescribes the minimum level of reporting necessary for an assignment that has any intended user(s) in addition to the client, and for an assignment in which the client may need to understand the appraiser's rationale, or the client may not have specialized knowledge about the subject property. As this report option establishes a minimum level of information, the appraiser must decide if additional detail or explanation is required, given the intended use and intended users of the report. A Restricted Appraisal Report may not include rationale for how an appraiser arrived at his or her opinions, and conclusions may not be easily understood. In this case, any data, reasoning, and analyses not discussed in the report are retained in the appraiser's work file.

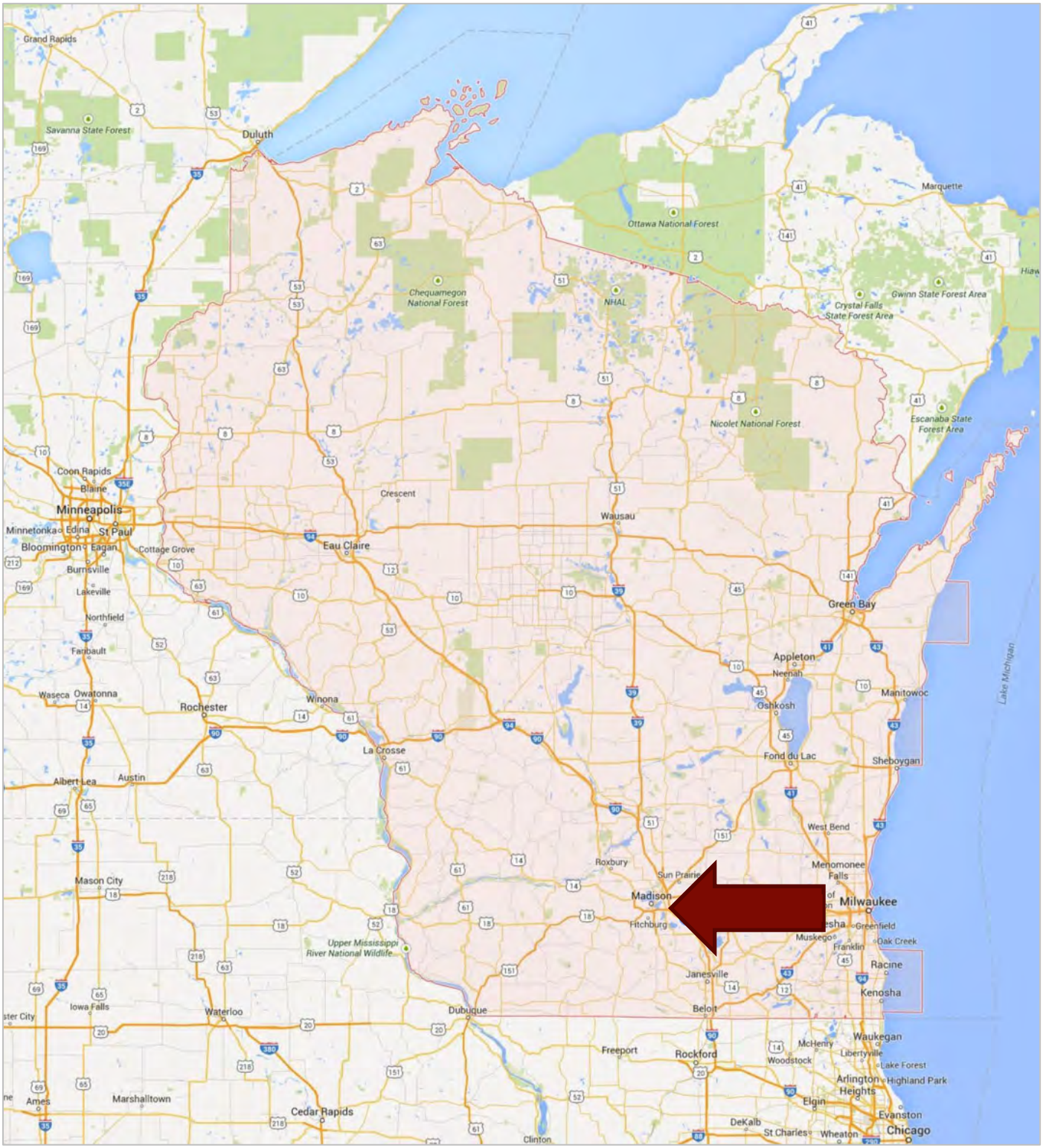
This is an Appraisal Report, subject to the Code of Ethics and Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation. In addition, the report has been written to comply with Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) and the Interagency Appraisal and Evaluation Guidelines adopted in 2010. This report has also been prepared in accordance with the operative engagement letter contained in the addendum.

Competency Statement

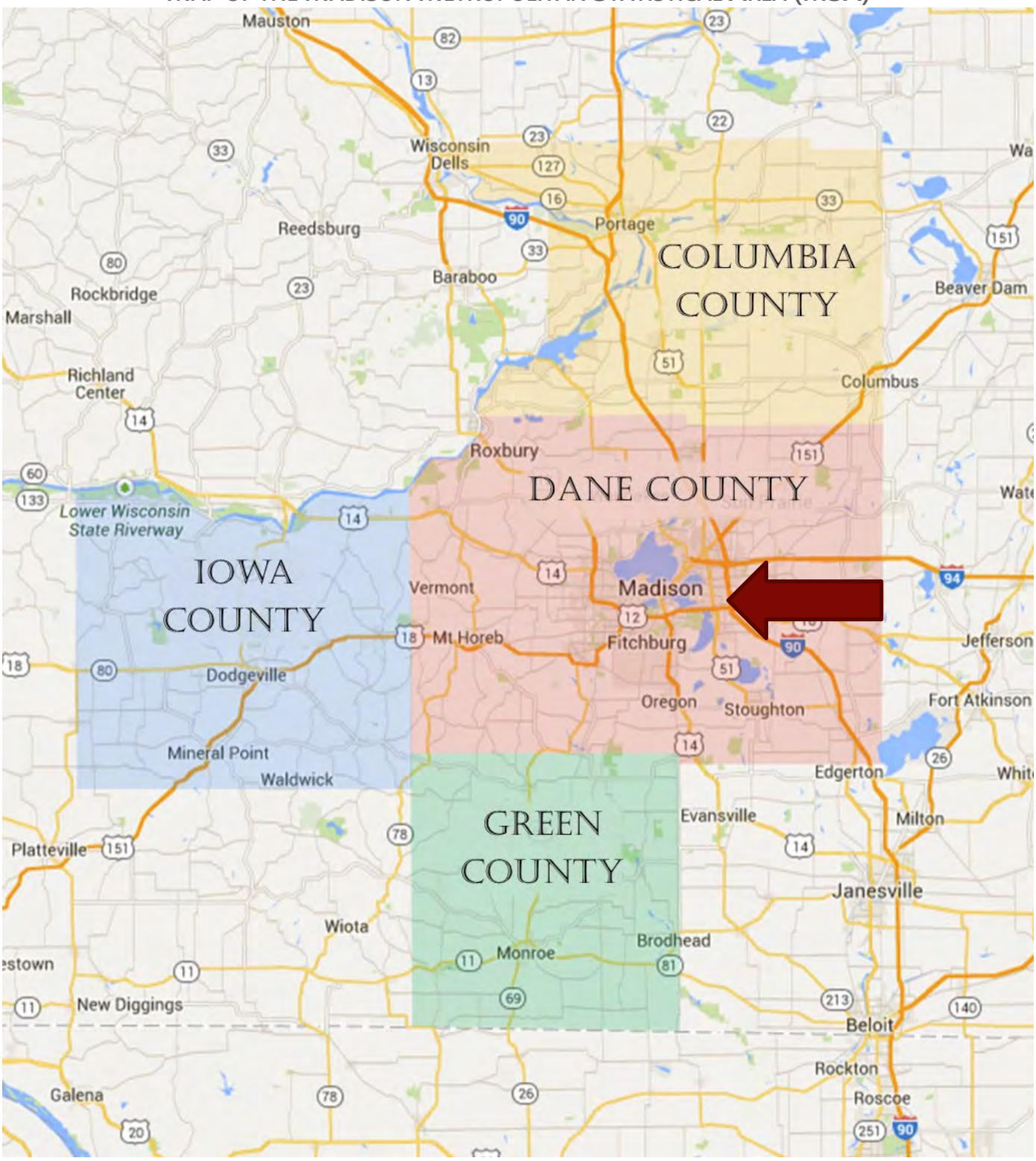
Meicher Real Estate specializes in services which include commercial real estate appraisal, brokerage, and consulting, which conform to USPAP and FIRREA guidelines. Kevin F. Meicher, a certified general appraiser with over 30 years of commercial appraisal experience, is qualified and knowledgeable in valuing these types of commercial properties, including the subject and similar properties.

SECTION IV: MARKET ANALYSIS

State Map

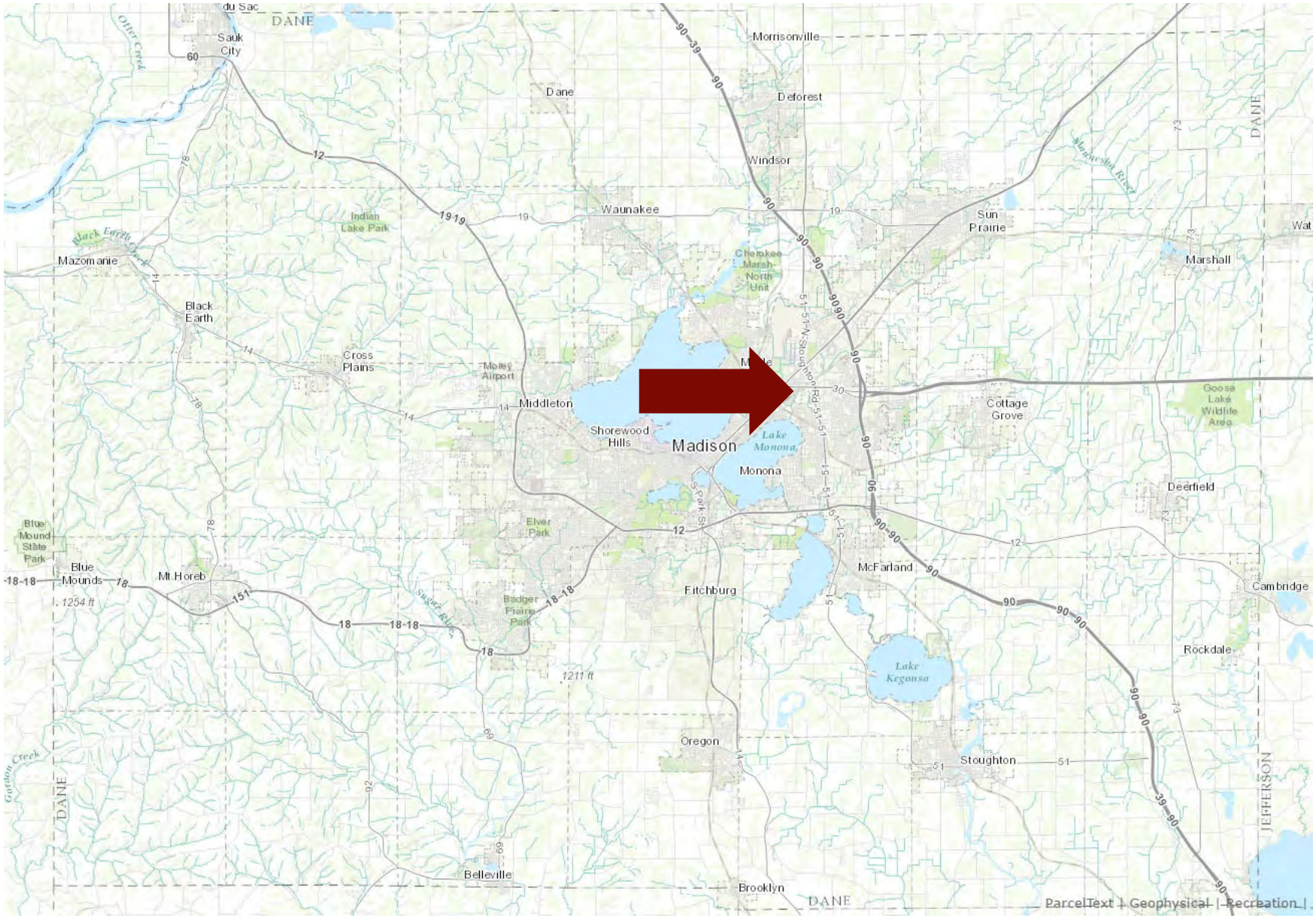

Grand Rapids
Savanna State Forest
Duluth
Marquette
Ottawa National Forest
Chequamegon National Forest
NHAL
Gwinn State Forest Area
Crystal Falls State Forest Area
Nicolet National Forest
Escanaba State Forest Area
Coon Rapids
Blaine
Minneapolis
Minnetonka
Edina
St Paul
Bloomington
Eagan
Cottage Grove
Burnsville
Lakeville
Northfield
Faribault
Crescent
Wausau
Eau Claire
Green Bay
Appleton
Neenah
Oshkosh
Manitowoc
Lake Michigan
Waseca
Owatonna
Rochester
Winona
La Crosse
Fond du Lac
Sheboygan
Albert Lea
Austin
West Bend
Roxbury
Sun Prairie
Madison
Fitchburg
Menomonee Falls
Milwaukee
Greenfield
Muskego
Oak Creek
Franklin
Racine
Kenosha
Mason City
Upper Mississippi River National Wildlife
Janesville
Beloit
Iowa Falls
Waterloo
Dubuque
Freeport
Rockford
McHenry
Woodstock
Libertyville
Waukegan
Lake Forest
Arlington Heights
Highland Park
Elgin
Evanston
Chicago
Ames
Marshalltown
Cedar Rapids
DeKalb
St Charles
Wheaton
Clinton

MAP OF THE MADISON METROPOLITAN STATISTICAL AREA (MSA)



Source: GoogleMaps.com & Meicher Real Estate

DANE COUNTY MAP

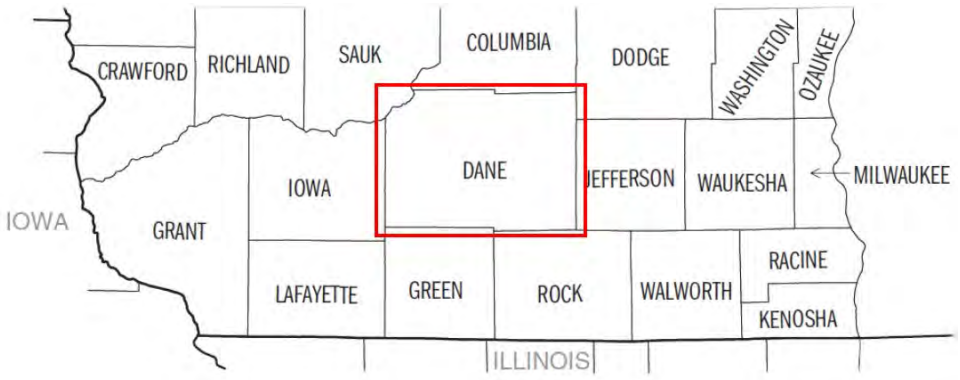


Dane County Analysis

The subject property is located within the City of Madison, Dane County, Wisconsin. Therefore, an overview of Dane County and the Madison Metropolitan Statistical Area (MSA), which this section will present, provides a basis for understanding the area dynamics insofar as they might affect the subject property.

Location and Linkages

Dane County is located in south-central Wisconsin, covering about 1,200 square miles and comprising over 60 municipalities. It is bordered by Columbia, Dodge, Jefferson, Rock, Green, Iowa, and Sauk counties and features more than 35 lakes along with 489 miles of streams and rivers—including the Wisconsin and Rock Rivers. As the second most populous county in the state (after Milwaukee County), it is anchored by the City of Madison, which is both the county seat and the state capitol. The Madison Metropolitan Statistical Area, which includes Columbia, Dane, Green, and Iowa counties, benefits from Madison's central location relative to major cities such as Janesville (45 miles north), Wisconsin Dells (55 miles south), Milwaukee (75 miles west), Rockford, IL (75 miles north), Dubuque, IA (90 miles northeast), and others.



Madison is well connected through a comprehensive network of federal and state highways, including Interstates 39, 90, and 94, and U.S. Highways 12, 14, 18, 51, and 151, which link the city to key regional markets. However, automobile access in the city is considered average; the densely developed Isthmus between Lakes Mendota and Monona (with construction dating back to the mid-1800s) often causes congestion for east-west traffic. To alleviate this, the Beltline Highway (Highway 12) was built to encircle the city along its eastern, southern, and western edges, providing a more efficient route for peripheral traffic.

Madison's public transportation system is robust, with a city-owned bus service that is nationally recognized for its high seat-miles per capita, and six inter-city bus lines that offer daily service to major cities across Wisconsin and the Midwest. Rail freight services are provided by operators such as the Union Pacific Railroad, Soo/Milwaukee Railroad, and Wisconsin & Southern Railroad, while Amtrak passenger service is accessible via the Amtrak Thruway Bus from Columbus, 30 miles away. Additionally, Dane County Regional Airport/Truax Field, the second-largest commercial airport in Wisconsin, offers approximately 100 daily flights served by five major air carriers, handling around 1.6 million passengers annually and supporting international trade through its designated Foreign Trade Zone.

Population

Population is a primary indicator of an area's demographic and economic trends, therefore an analysis of the past and projected population trends within the area provides a guide to understanding the market.

As mentioned previously, Dane County is the second most populous county in Wisconsin, smaller only than Milwaukee County, and it continues to experience high growth rates. From 2010 to 2020, the population of Dane County increased by 15% of the population, significantly higher than the statewide total of 3.6%. Most of the surrounding counties also saw population increases, including Sauk (6.1%), Rock (2.1%), Jefferson (1.5%) and Columbia (2.9%) while Green, Iowa and Dodge counties saw growth rates under 1.0%.

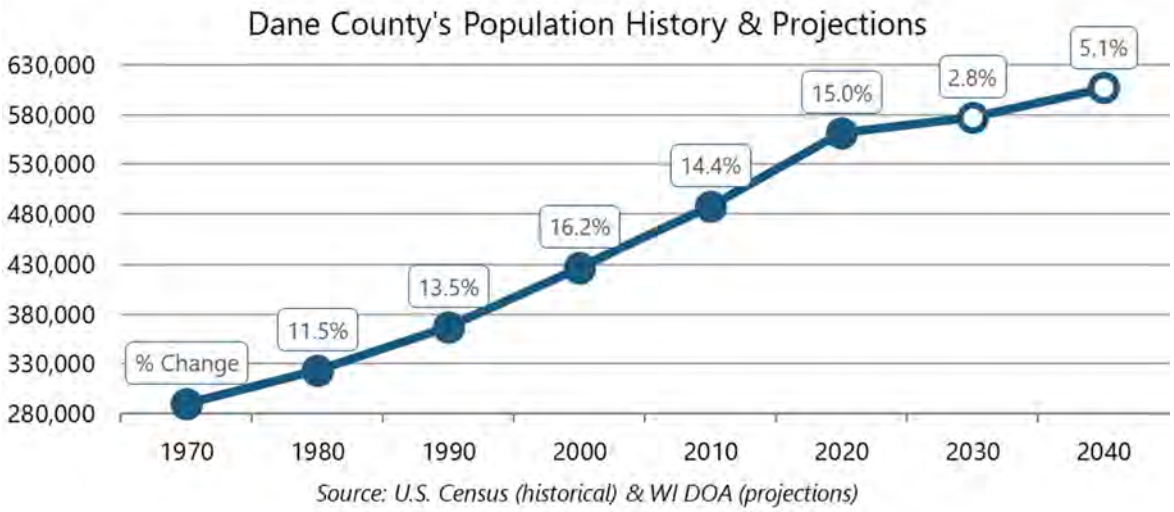
Population	2010 Census	2020 Census	% Change
United States	308,745,538	331,449,281	7.4%
Wisconsin	5,686,986	5,893,718	3.6%
Dane County	488,073	561,504	15.0%
City of Madison	233,209	269,840	15.7%
City of Sun Prairie	29,364	35,967	22.5%
City of Fitchburg	25,260	29,609	17.2%
City of Middleton	17,442	21,827	25.1%
City of Stoughton	12,611	13,173	4.5%

Source: U.S. Census

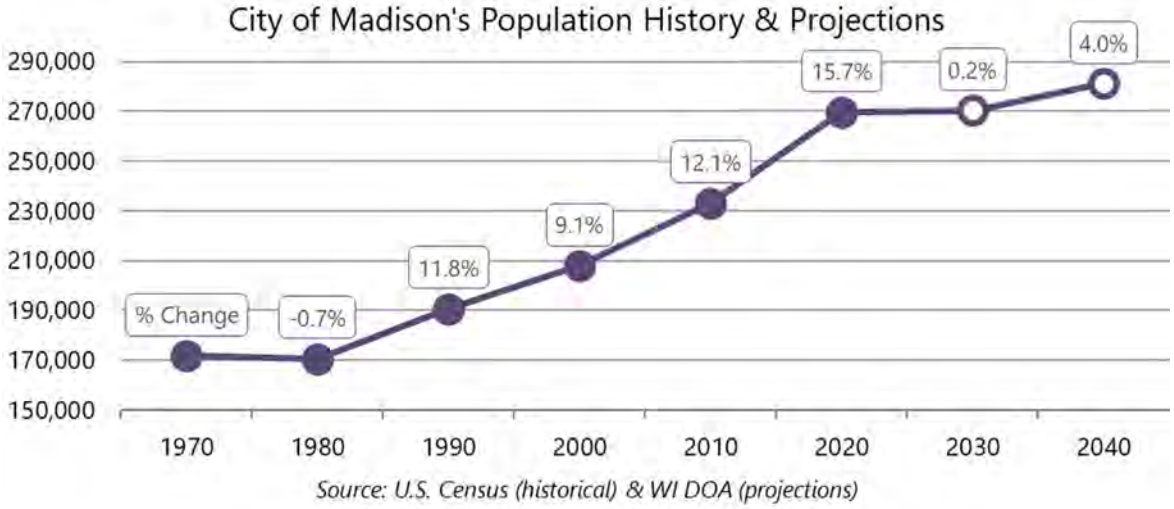
Nearly half of the county's population is located within the City of Madison, although the fastest growing municipalities included the City of Middleton (+25.1%), and the City of Sun Prairie

(+22.5%). Aside from the capitol, the county's largest municipalities include the cities of Sun Prairie, Fitchburg, and Middleton, each of which is considered a suburb of Madison.

The following graphs display the population history and projections for Dane County and the City of Madison.



Source: U.S. Census (historical) & WI DOA (projections)

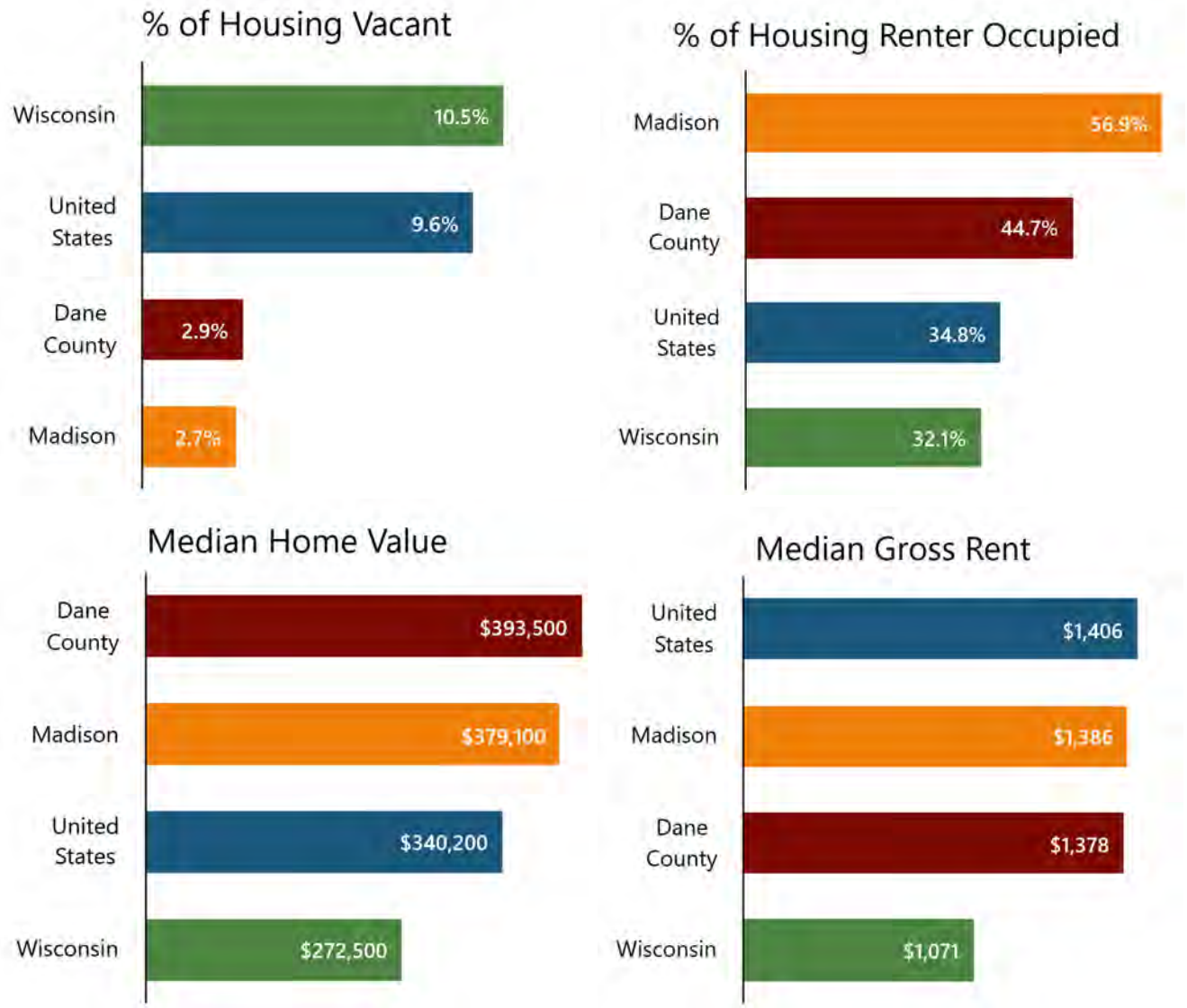


Source: U.S. Census (historical) & WI DOA (projections)

Dane County has led population growth in the past four decades, reaching 651,504 residents in 2020, a 15% increase, while Madison grew by 15.7% to 269,840, indicating growth outside the city. The Wisconsin Department of Administration projects under 3% growth for the county and under 1% for Madison over the next two decades. Statewide population growth has been declining due to migration, an aging population, and lower birth rates, with rural areas experiencing the most loss while urban areas see some growth.

Residential Market

The U.S. Census Bureau conducts the American Community Survey (ACS) for information between Census years. According to survey data from 2023, the most recent year available, the City of Madison and Dane County have extremely low residential vacancy rates at 2.7% and 2.9% respectively, compared to 10.5% statewide. Approximately 56.9% of the city's housing is renter occupied, much higher than the county or state, primarily due to the presence of the UW-Madison campus. The median home value in Dane County is $393,500, higher than the City of Madison median of $379,100 and higher than the statewide median of $272,500. However, the median gross rent (including utilities) in the City of Madison of $1,386 is higher than the countywide median of $1,378, both of which are significantly higher than the statewide median of $1,071.

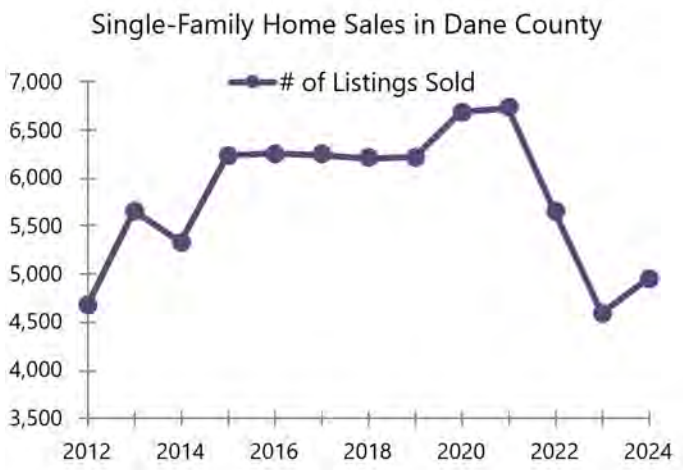


Source: 2023 American Community Survey 1-Year Estimates

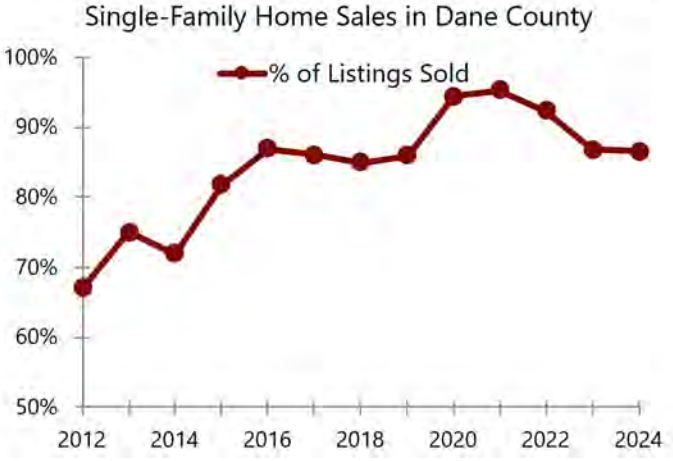
Single-Family Home Sales

The South Central Wisconsin Multiple Listing Service (MLS) provides more detailed statistics on single-family home sales within Dane County, although this data includes homes that have sold through MLS only; it does not include homes that were sold directly by owners or builders, including new construction contracts.

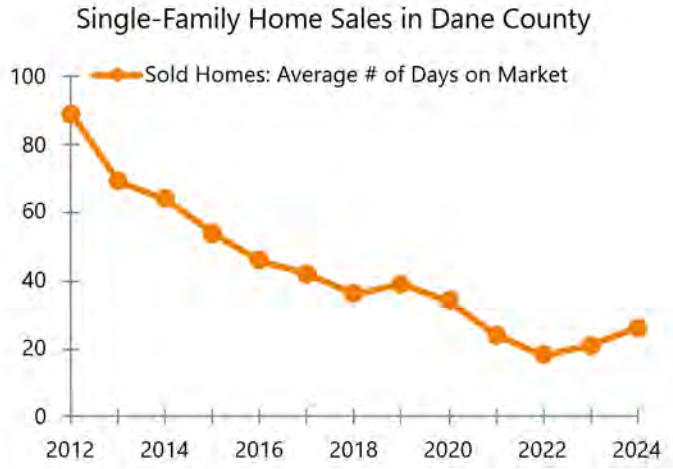
The number of sales within Dane County has been increasing since bottoming out in 2011 when only 3,725 sales occurred. By 2013 the market reached pre-recession levels, and following a slight dip in 2014 total sales skyrocketed to over 6,000 annually from 2015 to 2021. However, in 2022 and 2023 the number of home sales decreased to 5,645 and 4,593 respectively. In 2024 there was a slight increase in home sales up to 4,955.



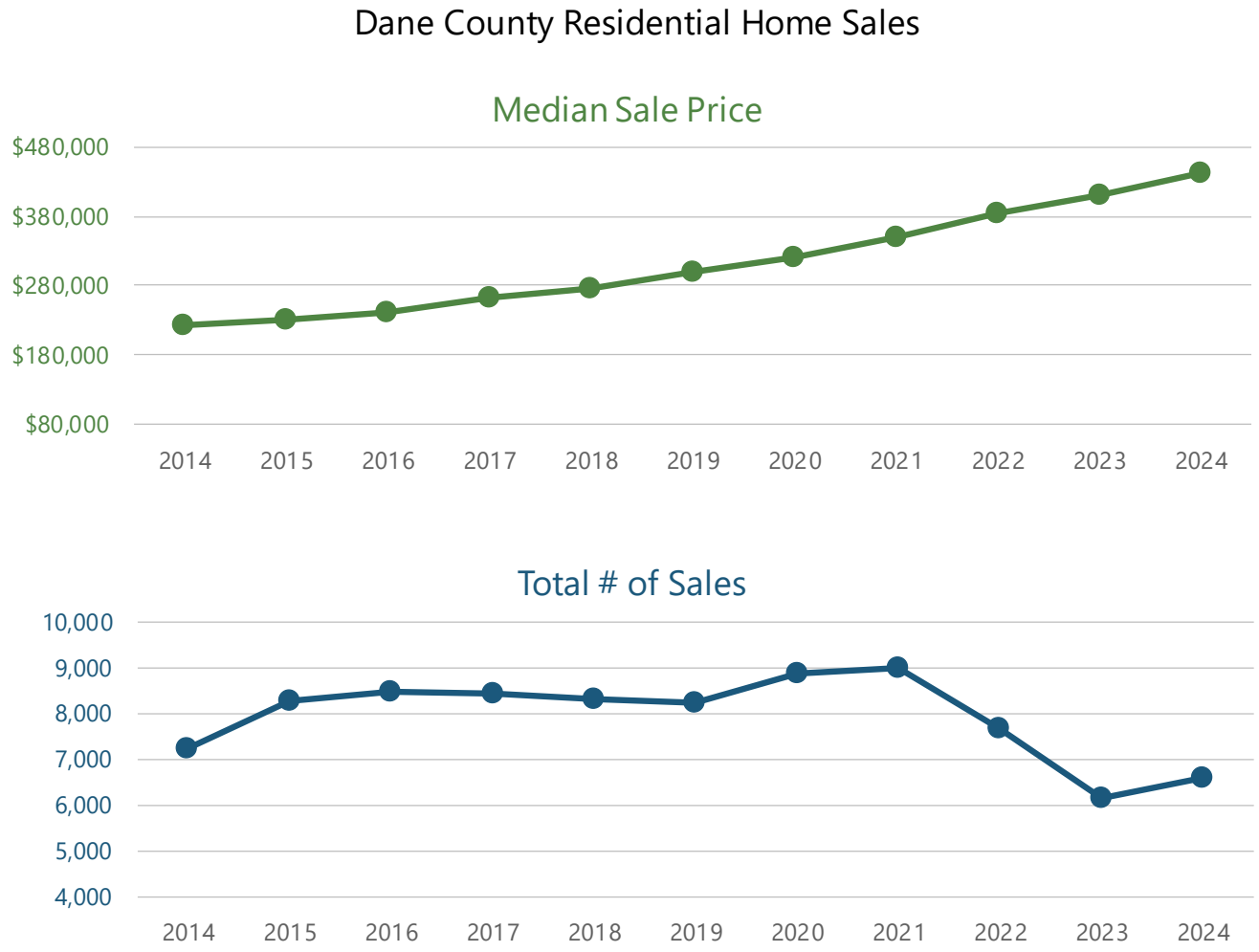
The percentage of all listings which sold has followed a similar trend, even surpassing the pre-recession levels during the past five years. In 2024, a total of 5,728 homes were listed for sale, of which 87% were sold, which has been near average for the past 10 years.



Of the listings that sold, the average number of days the home was listed on the market had been increasing each year until peaking at 94 days during 2011. The following years have recorded significant decreases, with the average at only 26 days in 2024.

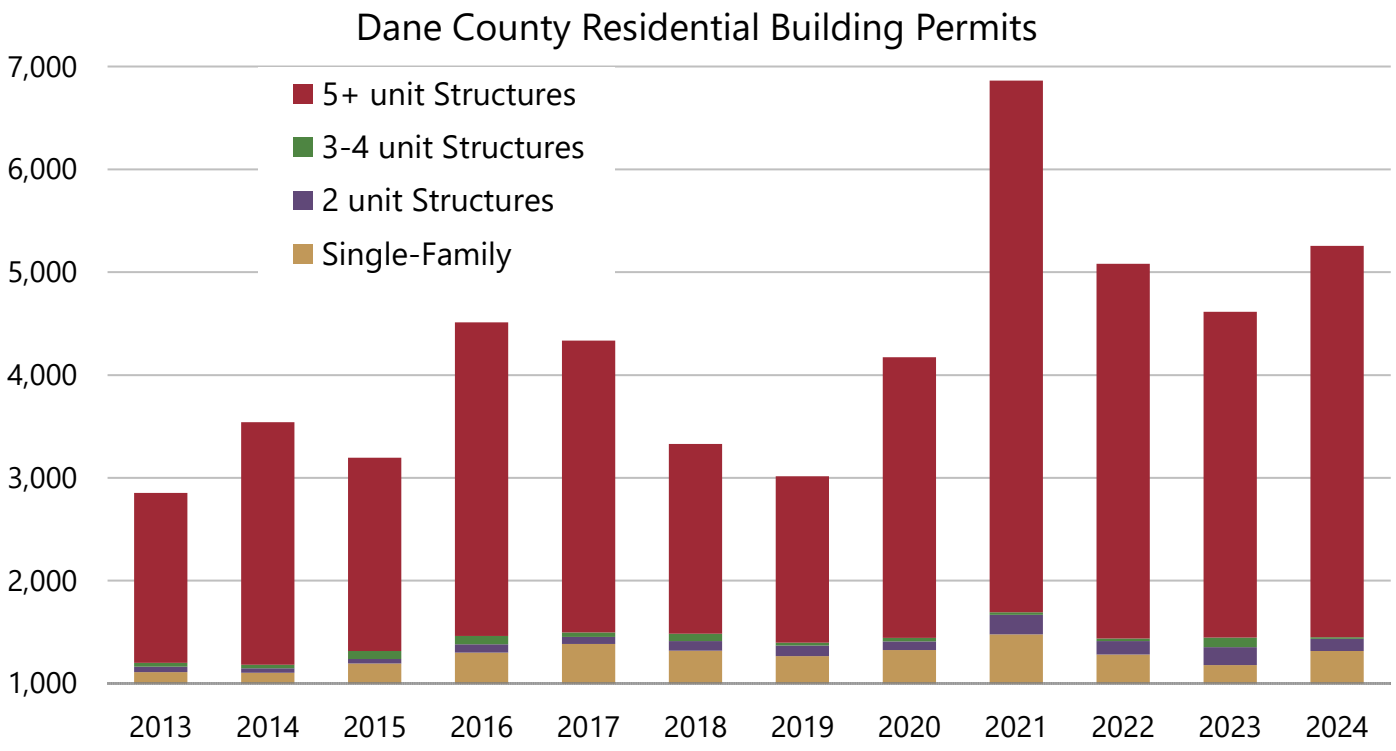


According to the Wisconsin REALTORS Association, the statewide median sale price finally surpassed pre-recession levels in 2016, reaching $163,450, while the total number of sales that occurred in 2016, at 82,804, is significantly higher than pre-recession years. The following charts display the annual number of home sales and the median sale price in Dane County. As shown, the average home sale price in Dane County dropped to a low of $198,439 in 2012, with the average sales price has gradually increasing each year. The average sales price in 2024 was $443,000. The number of sales dropped following the recession, from nearly 6,797 sales in 2007 to only 4,833 sales in 2011. However, since 2013 the number of sales reached pre-recession levels. The total number of sales in 2024 was 6,574.



New Development

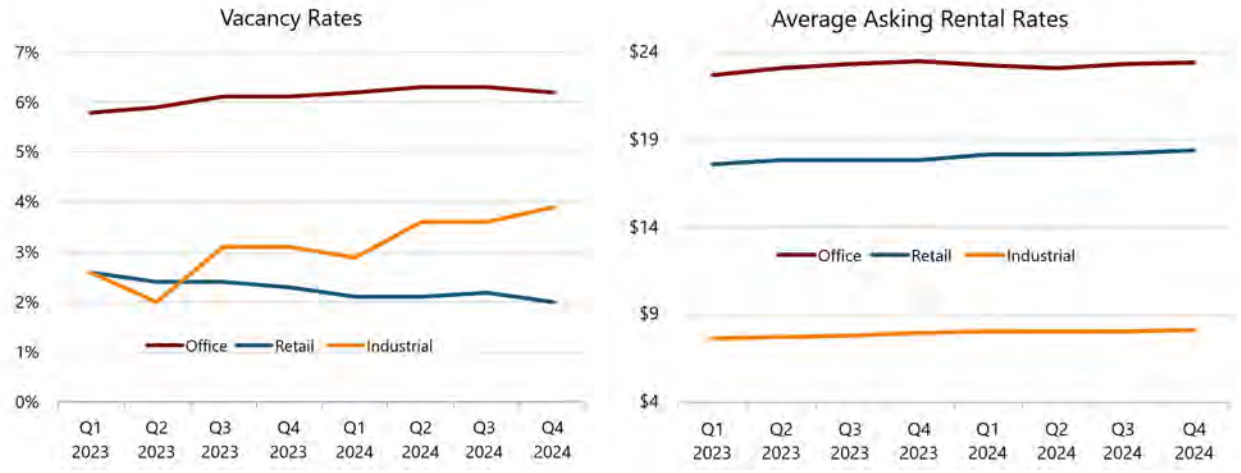
A review of the number of new residential building permits issued each year provides another indication of local market trends, including in the multi-family sector. The following chart illustrates of the number of construction permits issued for residential structures (single family and multi-family, including condominiums) in Dane County per the SOCDS (State of the Cities Data System).



Since the mid-1990s residential construction within Dane County steadily increased each year until peaking in 2003 when permits were issued for 5,400 units, nearly half of which were multi-family. New construction declined in the following years due to an oversupply within the market which was compounded by the recession in 2009. From 2006 to 2010, year-over-year decreases averaged 25%. In the years since, multi-family construction has recovered significantly, while single family construction has remained low. While just under half of all residential building permits issued within Dane County during the past ten years were for projects located within the City of Madison, 62% of the county's multi-family units were built in the city. In 2024, there was a total of 5,255 units with approximately 3,938 multi-family units.

Commercial Real Estate

Surveys of the local office, retail and industrial markets are published by the research firm CoStar. This data includes vacancy and rental rates for properties in the Madison Metro area, which are summarized in the following charts.



Source: CoStar Reports

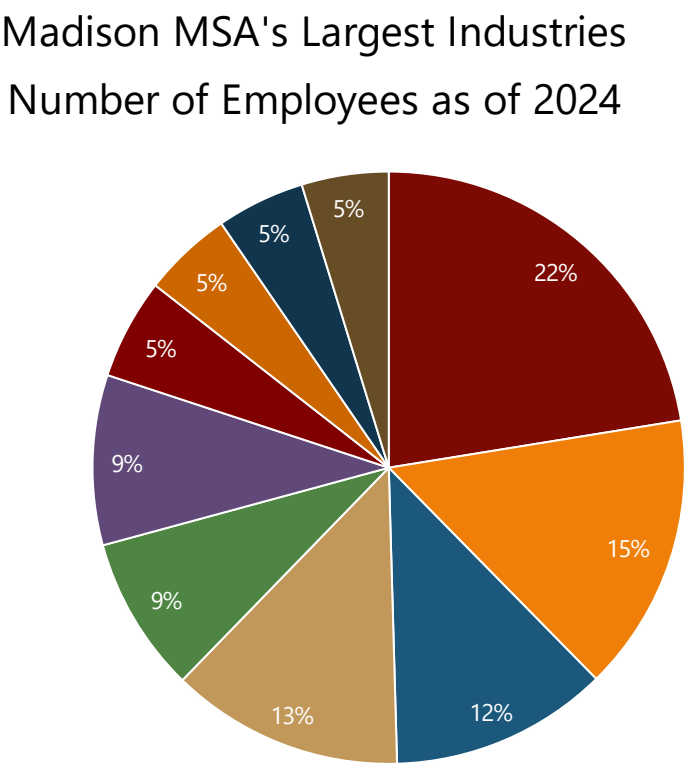
The Dane County office market's overall vacancies have been relatively consistent during the past three years. Office vacancy averaged 6.0% during the past three years, and in 2024 the average office vacancy was 6.3%. Asking rents (on Gross terms) have gradually fluctuated during the same period, averaging $22.98 during the past three years and $23.28 during 2024

According to the CoStar survey data, the industrial vacancy rate has been gradually increasing during the past three years, from 2.6% at the beginning of 2023, to a high 3.9% in the fourth quarter of 2024. Rental rates have also gradually increased in the last three years, increasing from $7.06 per square foot in the first quarter of 2022 to $8.14 per square foot in the fourth quarter of 2024 (on NNN terms).

The local retail market has also been fluctuating during the last three years as vacancies have ranged from 2.0% to 3.7%. The average asking lease rate (on NNN terms) at the beginning of 2023was $17.58 per square foot, compared to $18.41 at the end of 2024.

Employment

The following chart displays Bureau of Laboratory Statistics data for the Madison Metropolitan Statistical Area, which includes the counties of Columbia, Dane, Iowa and Green.



Industry	# of Employees (2024)	% Growth (2023-2024)
Government	96,500	1.4%
Trade, Transportation, and Utilities	65,300	-0.9%
Professional and Business Services	51,200	-1.7%
Education and Health Services	54,700	2.8%
Leisure and Hospitality	36,600	-3.2%
Manufacturing	39,900	1.8%
Financial Activities	23,600	-3.3%
Other Services	21,000	1.9%
Information	20,700	-3.7%
Mining, Logging, and Construction	20,400	1.5%
Total	**429,900**	**0.0%**

Source: Bureau of Labor Statistics (BLS)

The public sector accounts for a significant percentage of employment in the Madison Metropolitan Statistical Area. Nearly 22% of non-farm employees worked for the government in 2024. Employers include the State, County, and City governments.

The education industry also thrives in this area, due to the University of Wisconsin-Madison and the Madison Metropolitan School District. Research activity on the University of Wisconsin-Madison campus is a major stimulus for growth in high-tech industries. The University maintains numerous resources for businesses interested in accessing research facilities and programs. Grants, venture capital, and loans are available to help businesses further their research and development goals. Research is taking place in the fields of medicine, genetic engineering, robotics, highway planning, agriculture, aviation and aeronautics, and zoology, among others.

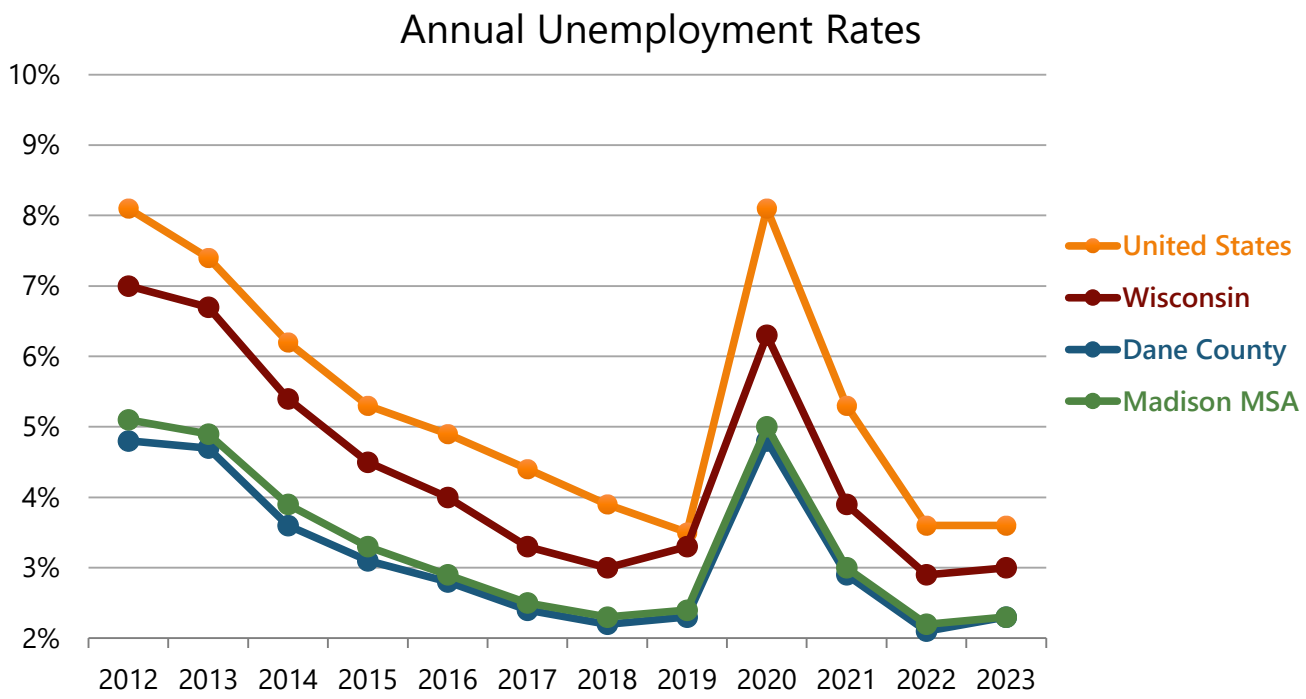
Hospitals are also one of the Madison Metropolitan Statistical Area's top industries, with UW Hospital and Clinics, Dean Health Systems, Meriter Health Services, and St. Mary's Hospital each within the top 25 largest employers in the county. During the last ten years, the Education and Health Services industry has grown by nearly 23%.

High-tech companies have also grown rapidly in the area, more than doubling since 1990. From 2006 to 2015 alone the industry grew by an astonishing 64%. Companies specializing in high-tech industry are playing an increasing role in the Madison area economy. Biotechnology, medical / biomedical researchers, microelectronics software and other computer-related firms dominate Dane County's research community.

Overall, the Madison Metropolitan Statistical Area is not considered to be reliant on any one industry, therefore the economy would not be vulnerable to a slump in any particular segment.

Unemployment

The following chart displays the average unemployment rate each year during the last decade for the United States, the State of Wisconsin, Dane County, and the Madison Metropolitan Statistical Area (MSA). As shown, Dane County and the Madison metropolitan statistical areas continually average much lower than the state of Wisconsin. This is mainly due to the fact that the Madison area offers a wide opportunity for stable employment through the university system and the state government headquarters. Unemployment rates have been steadily decreasing since the peaks in 2009 and 2010. In 2019, the Madison MSA unemployment was at 2.5%, while Dane County was 2.4%, both less than the State of Wisconsin, which was at 3.3%. In, 2020, all regions unemployment rates increased significantly due to the COVID-19 pandemic. During 2023 the Madison MSA unemployment rate decreased to 2.3%, while Dane County decreased to 2.3% compared to the State of Wisconsin at 3.0%.



Source: U.S. Bureau of Labor Statistics

Agriculture

Agriculture plays a large role in the area's economy. Close to one-sixth of all farms in Wisconsin are in the Greater Madison trade area. Diversified farming contributes greatly to Madison's stability and continued prosperity. Dane County is ranked among the top ten counties in the nation in value of farm products. Leading agricultural products are corn, alfalfa, tobacco, oats, eggs, cattle, hogs, and dairy products.

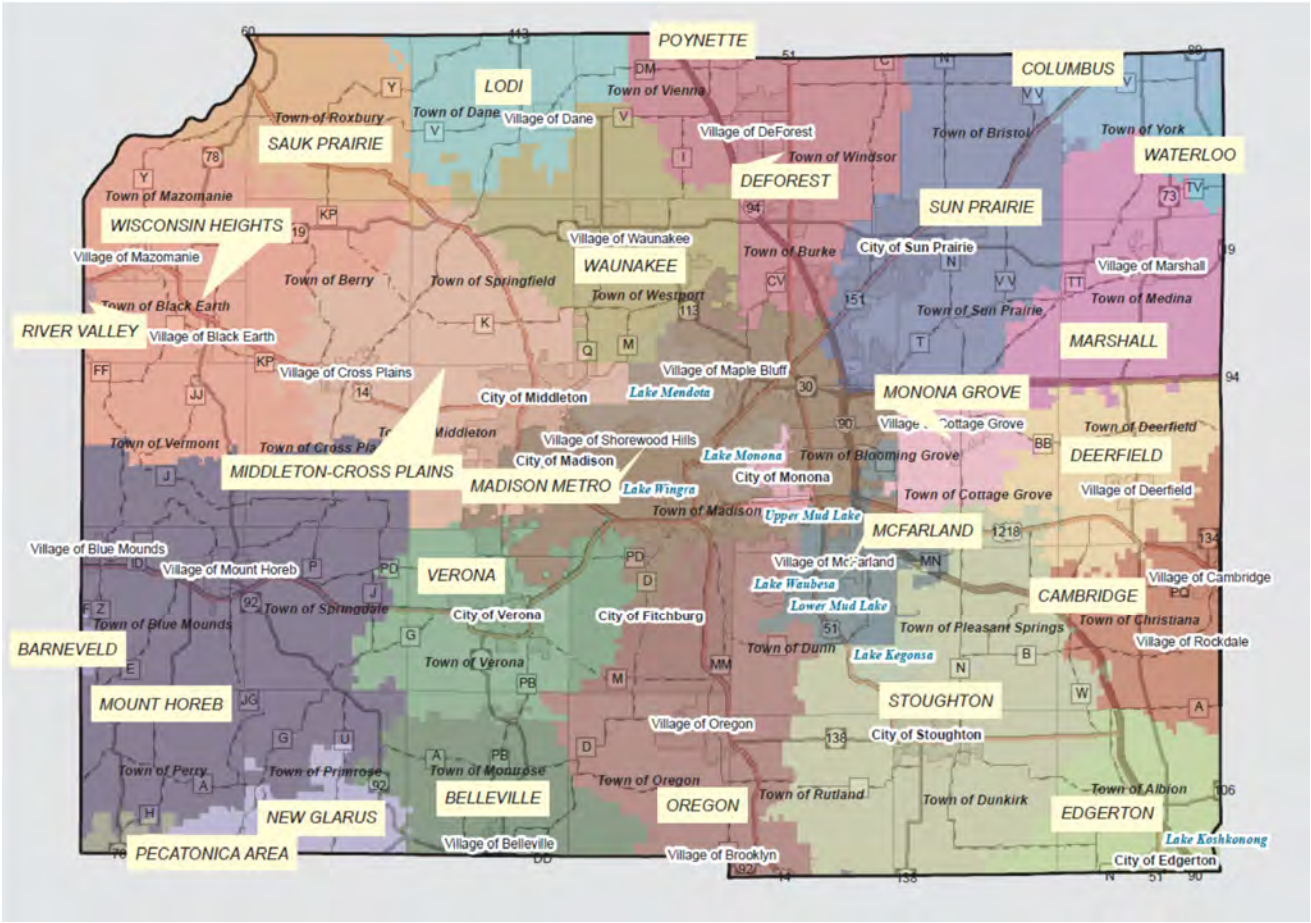
Dane County is considered to be an intensively farmed agricultural area and ranks second in the state in terms of the value of agricultural products sold. Dairy products are the most profitable commodities in Dane County's agricultural sector. Madison is currently making excellent progress toward its goal of becoming the center for the world dairy industry.

Other

Education

Sixteen public school districts and 22 private schools serve more than 80,000 students in Dane County. The Madison Metropolitan School District is the largest in the county with an enrollment of 25,237 students for the 2023-2024 school year.

Map of Dane County School Districts



Source: Dane County Comprehensive Plan

The University of Wisconsin-Madison is consistently ranked in the top ten of the nation's educational institutions. The University of Wisconsin-Madison is the flagship of the state's university system and plays a major role in both Madison and Dane County. It is a major employer in the area, and it attracts over 40,000 students in its undergraduate, graduate, and specialty schools. The University also attracts businesses and capital with its research in science and engineering.

Madison is also the home of other important state educational programs. Madison Area Technical College (MATC) is part of the highly regarded Wisconsin vocation, technical and adult education system. The MATC district encompasses the counties of Dane, Columbia, Jefferson, Sauk, and Marquette, providing instruction for over 30,000 people.

Government

Dane County is governed by the County Board which has 37 supervisors and a county executive. The county also has more than 55 committees, boards, and commissions to address countywide issues. The county's largest responsibilities are building and maintaining highways and operating welfare programs.

City government is directed by the mayor, who is the chief executive officer of the city, and by the common council which has 20 elected alder persons. The City of Madison has over 60 committees, boards, and commissions to assist in the decision-making processes. The City of Madison offers a full-service government with full time police and fire protection.

Recreational and Cultural

Dane County and the City of Madison have over 10,800 acres dedicated for public use. The focal point of recreational activities in the Madison area are centered around sporting and cultural functions related to the University of Wisconsin-Madison and the chain of lakes inter-connected by the Yahara River. These lakes include Mendota, Monona, Waubesa, Kegonsa, and Upper and Lower Mud lakes. Other recreational facilities in Dane County include 16 public golf courses, 123 camping sites, 46 miles of hiking trails, over 150 miles of bike trails, public hunting grounds, snowmobile trails, skiing facilities, and approximately 35 area lakes.

Summary

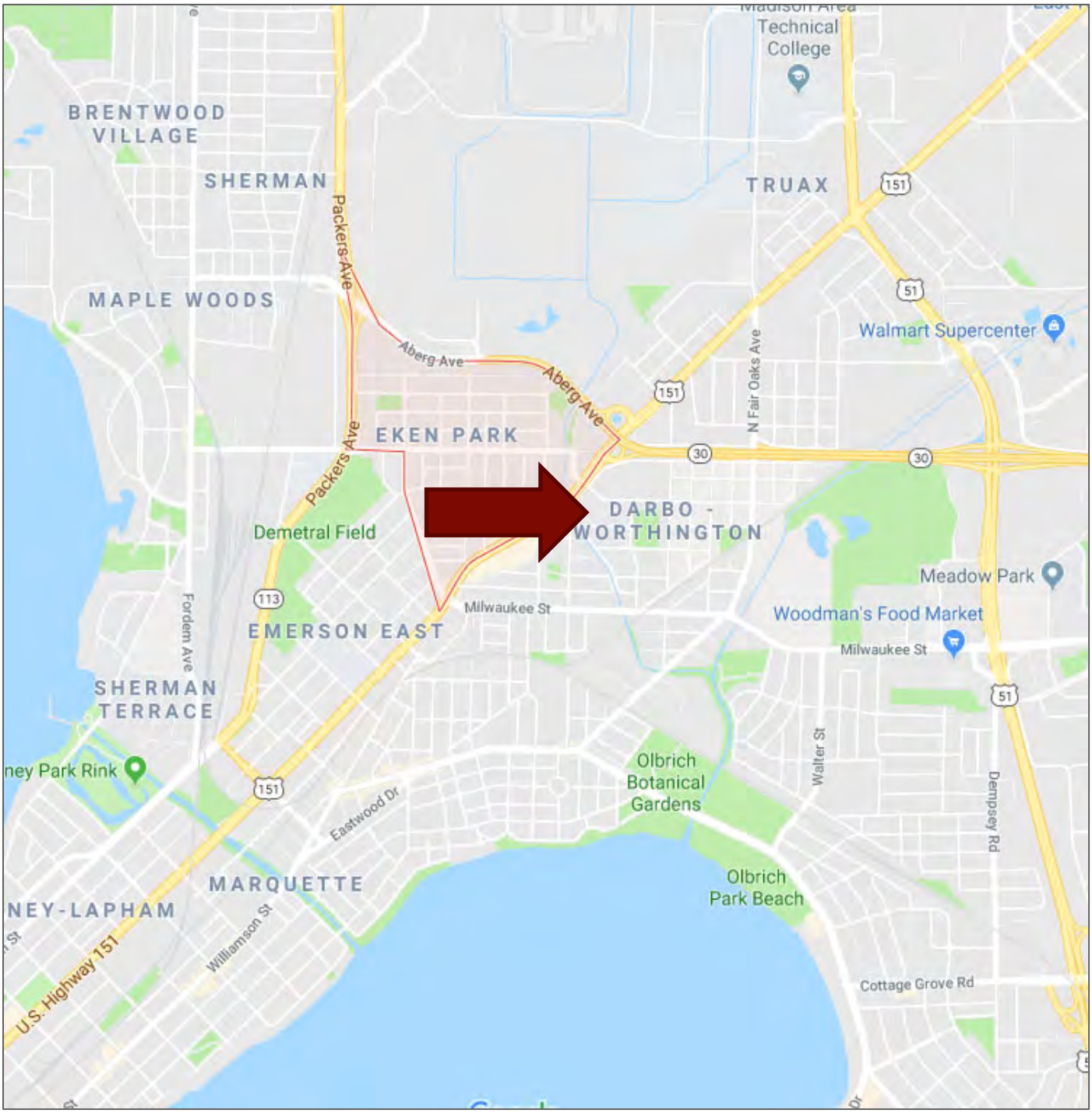
The City of Madison and the Dane County area have historically been regarded as having a high quality of life and stable economic base. The area's strong economy, employment base, governmental influence, and stable housing market are all indicators of a strong and healthy local economy.

The Madison area is home to the state's capitol, the University of Wisconsin, and many large businesses that have created a diversified economy. Overall, the area is not reliant to any one industry and would not be affected by a slump in any particular segment. The highly educated population is continuing its steady growth. Madison's generally strong economy has had a positive effect on its real estate market. Overall, the long-term prospects for this area and its real estate market conditions are positive.

Also, the City of Madison has long been recognized in several nationally published newspapers and magazines. From being the "Safest Mid-sized City in America" to the "Top Farmers Market in America", the City of Madison continues to be a popular relocation city for young families. As the residential and commercial markets continue to grow within the City of Madison and its surrounding communities, the City has been recognized as one of the "Hottest Cities for House Hunting", as well as receiving high regard for its constant support of its small businesses.

Madison and Dane County's strong economies have had a positive effect on the real estate market as a whole. Data on single-family home sales from the WRA indicates a strong housing market with median sale prices and the number of sales reaching pre-recession levels. Occupancy levels for commercial properties are typically considered to be strong, with market rent levels being stable to increasing.

Market Area Map



Market Area Analysis

Introduction

The subject property is located Darbo Drive and near the Eken Park Neighborhood on the near east side of the City of Madison. The Eken Park Neighborhood is bounded by Aberg Avenue to the north and east, East Washington Avenue to the south, and Packers Avenue and North Street to the west. This section will discuss the neighborhood as well as development within the surrounding area to provide an understanding of the subject property's market.

East Washington Avenue (Highway 151) is one of the city's primary travel corridors. It runs northeast from downtown Madison centrally through the Isthmus to the city's eastern edge and the City of Sun Prairie. East Washington Avenue intersects with Aberg Avenue (State Highway 30), Stoughton Road (U.S. Highway 51) and Interstate Highway 39/90/94.

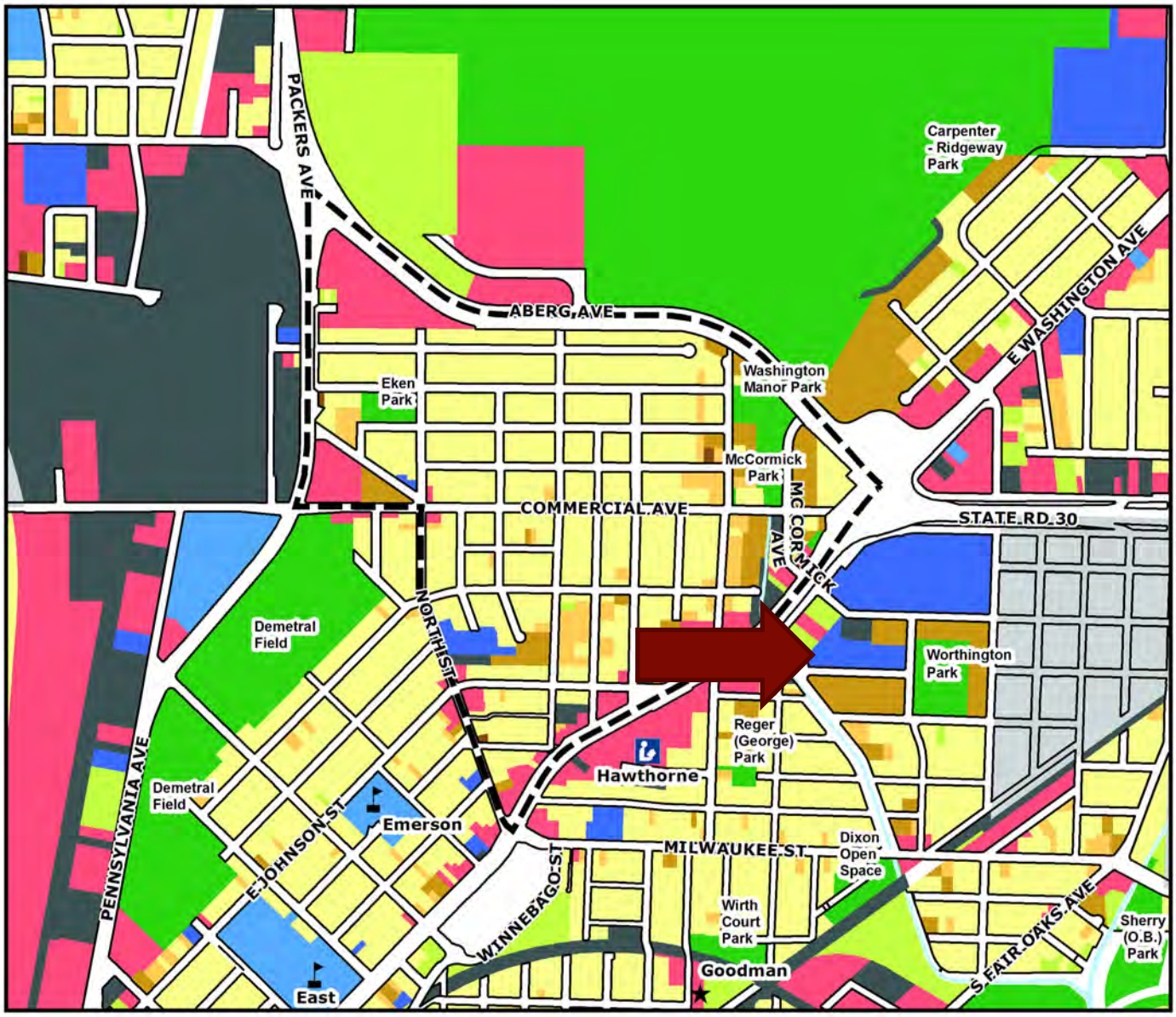
Eken Park Neighborhood

The neighborhood consists of primarily residential uses, single-family housing transitioning to multi-family housing and commercial uses clustered along the main corridors. The area neighborhoods are well established, with a majority of the housing is in excess of 50+ years old. The neighborhood is located in Dane County's largest school district, the Madison Metropolitan School District.

Commercial developments are primarily concentrated along major transportation routes, including East Washington Avenue. Commercial uses include office, retail, convenience, restaurant, and fast food. Other uses include an industrial park located to the west of Packers Avenue, government buildings including the Department of Corrections office, and Emerson Elementary School and Madison East High School.

A few small parks are located within the neighborhood; with larger parks including Carpenter-Ridgeway Park and Demetral Field nearby.

The following map illustrates the Eken Park Neighborhood boundaries and surrounding land uses.

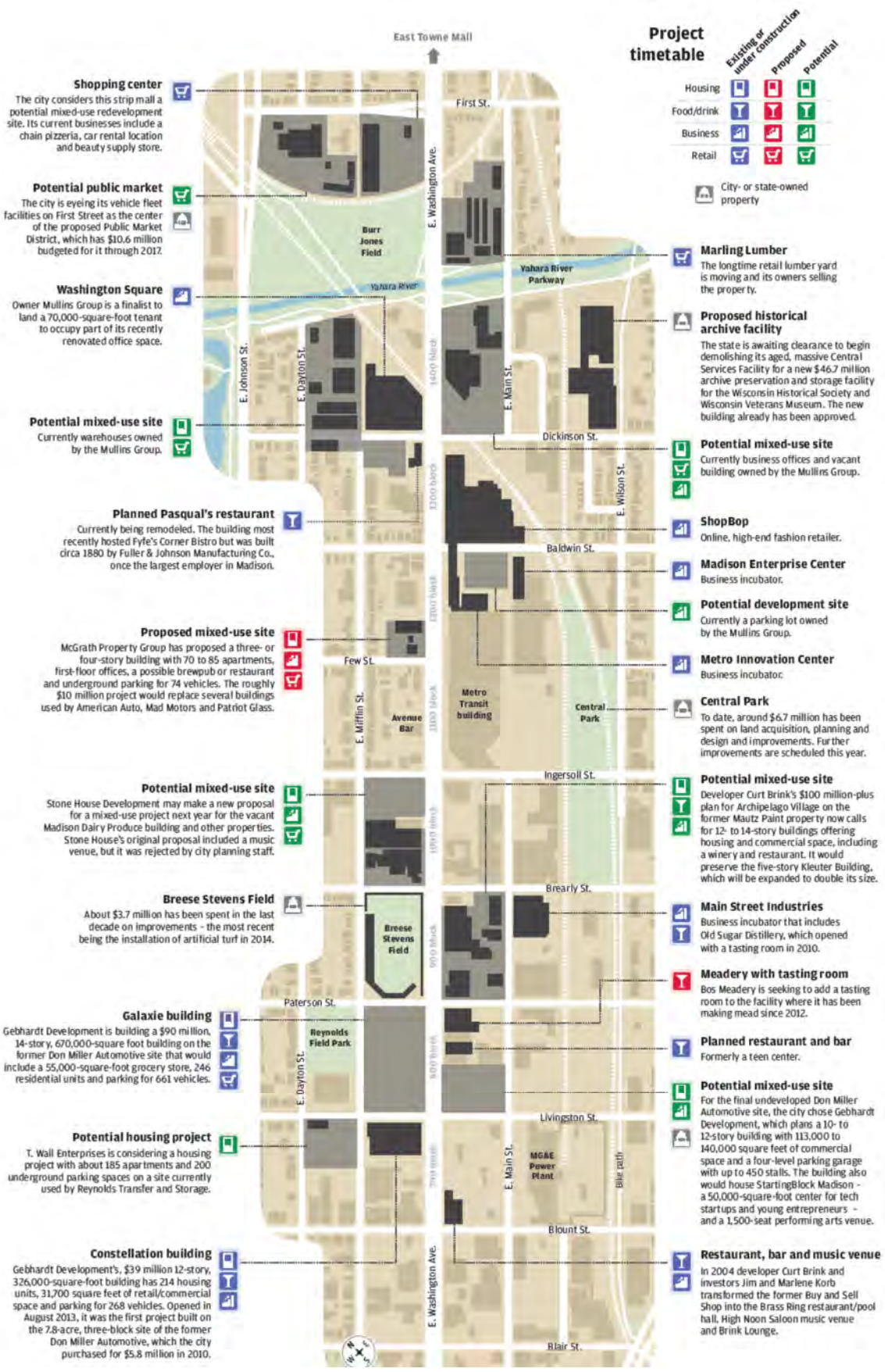


City of Madison Department of Planning and Community & Economic Development, Planning Division 5/1/2015

East Washington Avenue Corridor

East Washington Avenue is a six lane boulevard that begins at the capitol square, and is the main thoroughfare that connects the Isthmus to the north and east sides of Madison. Land uses along East Washington Avenue are primarily commercial. The commercial uses near the capitol square include governmental facilities, financial institutions, office, warehouse, automotive related, and some residential. East Washington Avenue is currently under construction as part of the East Washington Avenue Gateway Revitalization Plan. This plan was developed to create a more inviting and safe gateway to the Isthmus and downtown Madison. Current construction entails the replacement of utilities, new street lighting, new landscaping, as well as establishing a more pedestrian and bicycle friendly environment.

The following page displays a map of the current and proposed redevelopment projects for the corridor via the Wisconsin State Journal.


East Towne Mall
Project timetable
Existing or under construction
Proposed
Potential
Housing
Food/drink
Business
Retail
City- or state-owned property
Shopping center
The city considers this strip mall a potential mixed-use redevelopment site. Its current businesses include a chain pizzeria, car rental location and beauty supply store.
Potential public market
The city is eyeing its vehicle fleet facilities on First Street as the center of the proposed Public Market District, which has $10.6 million budgeted for it through 2017.
Washington Square
Owner Mullins Group is a finalist to land a 70,000-square-foot tenant to occupy part of its recently renovated office space.
Potential mixed-use site
Currently warehouses owned by the Mullins Group.
Planned Pasqual's restaurant
Currently being remodeled. The building most recently hosted Fyfe's Corner Bistro but was built circa 1880 by Fuller & Johnson Manufacturing Co., once the largest employer in Madison.
Proposed mixed-use site
McGrath Property Group has proposed a three- or four-story building with 70 to 85 apartments, first-floor offices, a possible brewpub or restaurant and underground parking for 74 vehicles. The roughly $10 million project would replace several buildings used by American Auto, Mad Motors and Patriot Glass.
Potential mixed-use site
Stone House Development may make a new proposal for a mixed-use project next year for the vacant Madison Dairy Produce building and other properties. Stone House's original proposal included a music venue, but it was rejected by city planning staff.
Breese Stevens Field
About $3.7 million has been spent in the last decade on improvements - the most recent being the installation of artificial turf in 2014.
Galaxie building
Gebhardt Development is building a $90 million, 14-story, 670,000-square foot building on the former Don Miller Automotive site that would include a 55,000-square-foot grocery store, 246 residential units and parking for 661 vehicles.
Potential housing project
T. Wall Enterprises is considering a housing project with about 185 apartments and 200 underground parking spaces on a site currently used by Reynolds Transfer and Storage.
Constellation building
Gebhardt Development's, $39 million 12-story, 326,000-square-foot building has 214 housing units, 31,700 square feet of retail/commercial space and parking for 268 vehicles. Opened in August 2013, it was the first project built on the 7.8-acre, three-block site of the former Don Miller Automotive, which the city purchased for $5.8 million in 2010.
Marling Lumber
The longtime retail lumber yard is moving and its owners selling the property.
Proposed historical archive facility
The state is awaiting clearance to begin demolishing its aged, massive Central Services Facility for a new $46.7 million archive preservation and storage facility for the Wisconsin Historical Society and Wisconsin Veterans Museum. The new building already has been approved.
Potential mixed-use site
Currently business offices and vacant building owned by the Mullins Group.
ShopBop
Online, high-end fashion retailer.
Madison Enterprise Center
Business incubator.
Potential development site
Currently a parking lot owned by the Mullins Group.
Metro Innovation Center
Business incubator.
Central Park
To date, around $6.7 million has been spent on land acquisition, planning and design and improvements. Further improvements are scheduled this year.
Potential mixed-use site
Developer Curt Brink's $100 million-plus plan for Archipelago Village on the former Mautz Paint property now calls for 12- to 14-story buildings offering housing and commercial space, including a winery and restaurant. It would preserve the five-story Kleuter Building, which will be expanded to double its size.
Main Street Industries
Business incubator that includes Old Sugar Distillery, which opened with a tasting room in 2010.
Meadery with tasting room
Bos Meadery is seeking to add a tasting room to the facility where it has been making mead since 2012.
Planned restaurant and bar
Formerly a teen center.
Potential mixed-use site
For the final undeveloped Don Miller Automotive site, the city chose Gebhardt Development, which plans a 10- to 12-story building with 113,000 to 140,000 square feet of commercial space and a four-level parking garage with up to 450 stalls. The building also would house StartingBlock Madison - a 50,000-square-foot center for tech startups and young entrepreneurs - and a 1,500-seat performing arts venue.
Restaurant, bar and music venue
In 2004 developer Curt Brink and investors Jim and Marlene Korb transformed the former Buy and Sell Shop into the Brass Ring restaurant/pool hall. High Noon Saloon music venue and Brink Lounge.
First St.
E. Washington Ave.
Burr Jones Field
Yahara River
Yahara River Parkway
E. Johnson St.
E. Dayton St.
E. Main St.
Dickinson St.
E. Wilson St.
Baldwin St.
Few St.
E. Mifflin St.
Avenue Bar
Metro Transit building
Central Park
Ingersoll St.
Brearly St.
Breese Stevens Field
Paterson St.
Reynolds Field Park
Livingston St.
MG&E Power Plant
Blue path
Blount St.
Blair St.
1400 block
1300 block
1200 block
1100 block
1000 block
900 block
700 block

Union Corners

A vacant lot just south of the subject along East Washington Avenue at the intersection of Milwaukee Street was proposed to be developed as Union Corners, although the development was put on hold. The site contains 11.5 acres and was planned for a mixed-use retail, condominium, and housing project. The development was approved by the city, although in 2010 the developer relinquished the property in lieu of foreclosure. The City of Madison agreed to purchase the site from the bank with the city's land-banking fund for $3.3 million, well below the assessed value at the time of $4.5 million. There have been multiple proposals for the site although nothing has been finalized. The initial proposal including primarily housing and condominiums, although since the housing market decline, proposals have focused more on commercial use. The following illustration is one of the initial Union Corners concept plans.

Dane County Regional Airport

The subject property is located south of the Dane County Regional Airport. The Dane County Regional Airport/Truax Field, a FAA-certified airport owned and operated by Dane County, provides air service to the Madison area and surrounding region. The Dane County Regional Airport has approximately 100 scheduled commercial flights daily, supporting roughly 1.6 million passengers yearly with 15 nonstop destinations. Authority for a Foreign Trade Zone has been granted to Dane County through its airport. This allows for more efficient receiving and inventory of imported products. Major air carriers include Northwest, United, Midwest Express, and various air-links to international hubs in Minneapolis, Chicago, and Detroit.

Truax Air Park

The subject property is located near the Truax Air Park which is adjacent to the airport. The Truax Air Park is a development which was designed for research, office, electronics, warehousing, distribution, and airport related uses. The Truax Air Park has good access to transportation routes, located just three miles from interstate highways, frontage on U.S. Highway 113, and access to the regional airport and Canadian Pacific Railroad. There are several "high tech" research/manufacturing companies within the park. Available parcels that are designated for light manufacturing/warehouse space range from 5-7 acres to allow for possible future expansion. There are also several parcels available for office and other uses.

The 266 acre Bridges Golf Course borders the Truax Air Park to the south. The Bridges contains an 18-hole golf course, driving range, practice bunker, and two practice putting and chipping greens, and a bar and restaurant. The facility is located on airport land and open to the general public.

Several new business parks are currently under development in areas surrounding the Dane County Regional Airport, including Dovetail Subdivision, Interstate Commerce Park and The Center for Industry and Commerce. These parks have good access to major arterials are being predominately developed with office/warehouse and light industrial facilities.

Madison College Campus

The Madison College (formerly known as MATC) Truax Campus is located southeast of the subject. Madison Area Technical College (MATC) is part of the highly regarded Wisconsin vocation, technical and adult education system. The MATC district encompasses the counties of Dane, Columbia, Jefferson, Sauk, and Marquette, providing instruction for over 30,000 people.

East Towne Corridor

The East Towne Corridor is located in the northeast section of Madison. Commercial areas include office, lodging, convenience stores, strip retail, restaurants, banking institutions, big box retail, and the East Towne Mall. Other major commercial businesses include many big box retail stores such as Home Depot, Kohl's, Best Buy, Office Max, Old Navy, and Target. Also located around the East Towne Mall vicinity are many small retail stores and strips as well as private and chain restaurants such as Red Lobster, Chili's, Olive Garden, Outback Steakhouse, Culver's, Chick-Fil-A, Popeyes, Applebee's, Red Robin, and the Texas Roadhouse steakhouse.

East Towne Mall

East Towne Mall is a regional shopping center that contains four anchor department stores, and totals approximately 1,200,000 square feet. East Towne Mall is home to stores including Boston Store, JCPenney, Sears, American Eagle Outfitters, Bath & Body Works, The Gap and Gymboree. The mall has a total of 110 stores and eateries. Retail development in this area has been strong due to the convenient location of the Interstate 90/94/39 and Highway 151.

CONCLUSION

Overall, Madison's east side can be classified as a stable market with established development. Madison's east-side has seen significant growth in retail demand and single family and multi-family residential development in the past several years. The subject property is well positioned in the market near the area demand generators, and should be able to generate positive returns in the foreseeable future.

Office Market Analysis

Introduction

The office market has a critical mass of properties such that it can easily be studied on a regular basis. Larger markets are surveyed by many real estate research firms which compile data that provide a gauge of the present status of this distinct product type. This section will examine office market statistics compiled by several of these firms to analyze the national office market as a whole, the large markets located within the Midwest, and the local office market.

National Office Market

In spite of the difficulties experienced throughout the national economy within the past several years, the office market is experiencing a slow but steady recovery from the recession in 2009. Office vacancy rates have dropped significantly, and many markets have seen increased demand for new office space. However, the overall economic recovery is still uneven across the U.S. which has kept investors cautious.

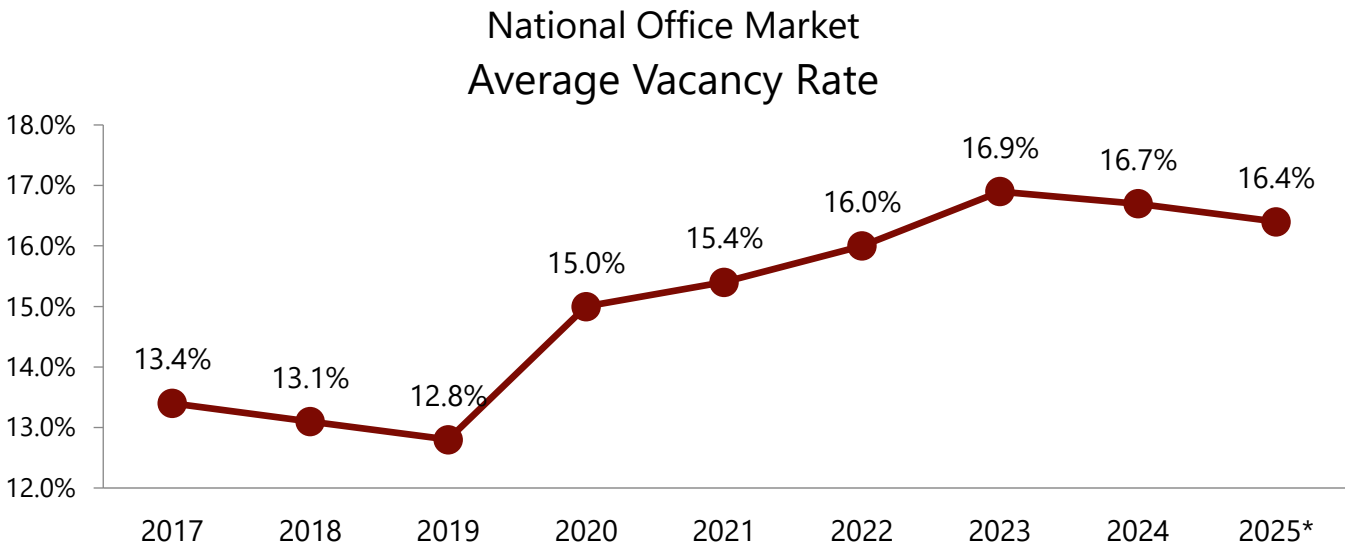
One of this firm's most relied upon sources for research of the national market is the annual National Office Report by the Marcus & Millichap Research Services department. Marcus & Millichap is a leading investment real estate company with brokers throughout the nation. The research group provides a range of publications including the flagship national reports that offer comprehensive outlooks on the state of the industry. A discussion of the historical trends within the office market and data from the most recent 2025 National Office Report is contained within the following section. The national figures are based on an average of data collected from 46 large metro markets throughout the country. The report summarizes the state of the national office outlook as follows:

> *Though office properties continue to face a particularly complex operating climate, some green shoots have begun to emerge. Net absorption was positive in three quarters of 2024, delivering the strongest office space demand since 2019 as corporate executives increased efforts to bring employees back to the office full time. This trend has so far been led by major financial institutions, along with some tech firms, but we are seeing the early signs in other sectors, as well as in local, state and federal government. The evolving shift in business sentiment on having workers in the office full time may strengthen over the course of 2025, bolstering demand for office space. That is not to say that remote and hybrid work schedules are coming to an end. Increased worker flexibility will likely be a permanent fixture in the business world going forward, but the momentum has shifted.*

Vacancy Rates

A key indicator of the health of the market is the overall vacancy rate. There are several methods to examine vacancy trends to get an understanding of the market, including comparing average vacancy rates by year, vacancy rates by the class of office space, or the vacancy of a specific metro area in comparison to other nearby metros.

Following several years of a downward trend that began in 2003, vacancy rates reached a peak low in 2007, with Class A vacancy near 14%. Just two years later the national recession had resulted in a spike to nearly 20% of Class A office space vacant in 2009. Class B/C office space followed a similar trend. After the peak highs in 2009 and 2010, a slow recovery began with incremental decreases each year. Much of this absorption has occurred in the Class A sector; however, as Class A vacancy decreases, Class B and C sectors are expected to follow suit. Vancy decreased from 14.5% in 2015 to a low of 12.8% in 2019 with an increasing trend in the following years during COVID-19. The forecasted vacancy for 2025 will decrease to 16.4%.

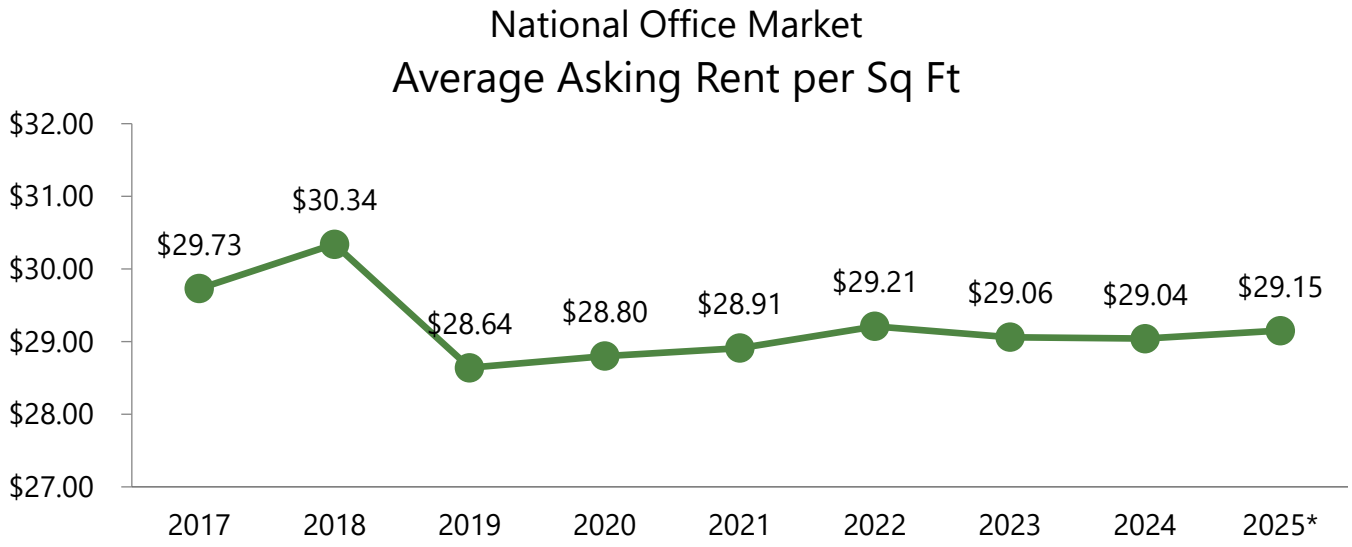


Source: 2025 Marcus & Millichap National Office Forecast Report

As an alternative source, office vacancy rates as reported by other firms have also been examined. Newmark Grubb Knight Frank reports slightly higher vacancy rates for recent years than Marcus & Millichap, although similar increasing trends during the past several years.

Rental Rates

During the last decade, asking rents followed the inverse of the trend seen for vacancy rates; rents reached peak highs in 2007 and 2008 while vacancies were at a record low. Newmark Grubb Knight Frank reports slightly higher asking rents for recent years than Marcus & Millichap, although similar decreasing trends during the past several years. The forecasted average asking rent per square foot for 2025 will increase to $29.15.



Source: 2025 Marcus & Millichap National Office Forecast Report

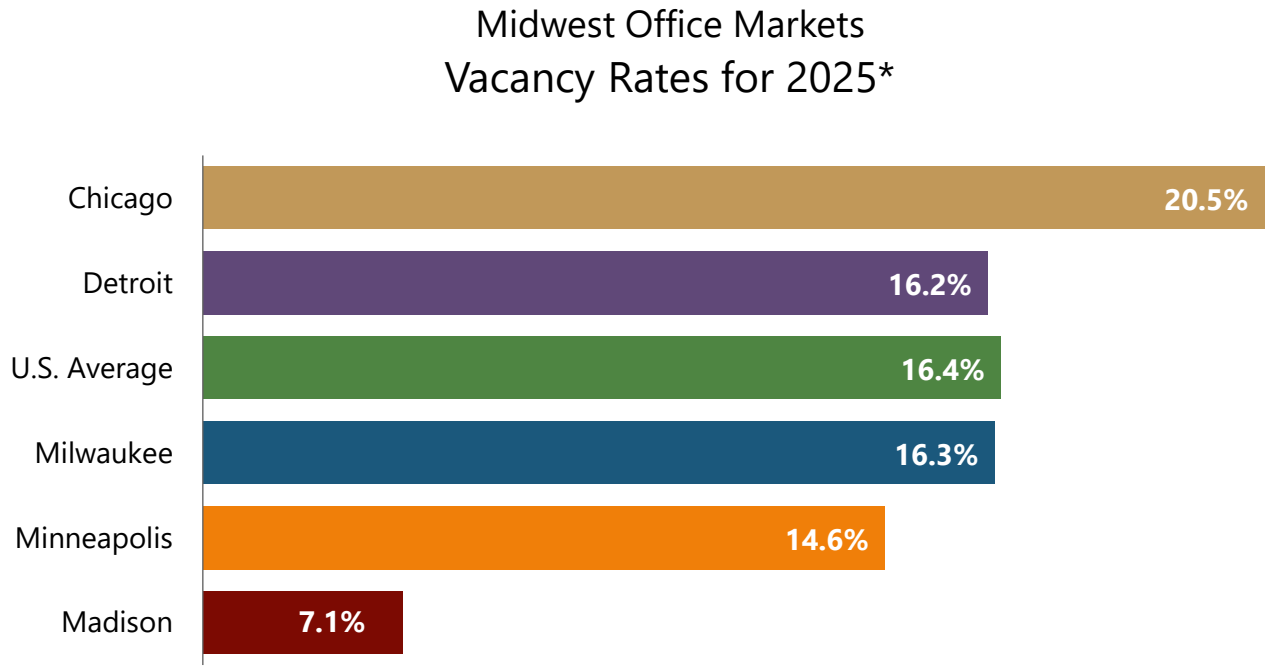
Construction & Absorption

Office construction peaked in 2008 as construction that began prior to the recession came online; the following years saw significant decreases as demand froze. According to the Marcus & Millichap analysis, completions of new office space increased in 2012 for the first time since 2008. Increases have continued in the years since, although completions are still far below pre-recession levels. Forecasts predict slowly increasing demand for office space due to job growth, which will further tighten the vacancy rate.

Source: 2025 Marcus & Millichap National Office Forecast Report

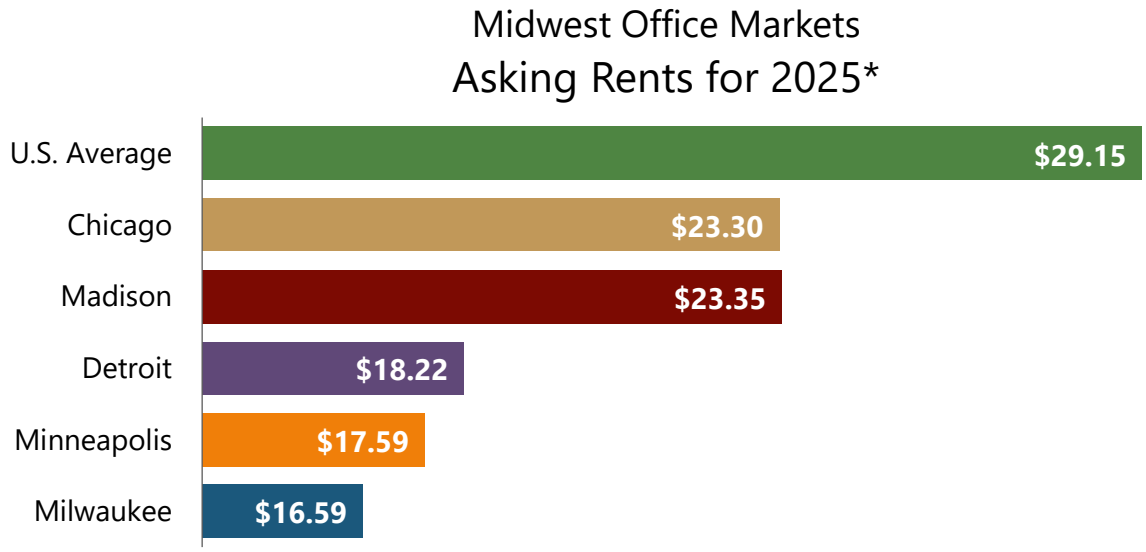
Regional Office Market

The following chart compares the Madison Metro area forecasted vacancy rate in 2025 compared to surrounding major metropolitan markets in the Midwest. According to CoStar, Madison Metro's average 2024 vacancy rate was only 6.3%. Marcus & Millichap 2025 forecasted vacancy rates ranged from 14.6% in Minneapolis to 20.5% in Chicago.



Sources: Marcus & Millichap and CoStar

The next graph displays the average asking rental rates at year end for the same cities. According to CoStar, Madison's 2024 rental rates averaged $23.28, while Marcus & Millichap average 2025 forecasted rental rates ranged from $16.59 in Milwaukee to $23.30 in Chicago, while the average of all 46 major metros surveyed is $29.15.



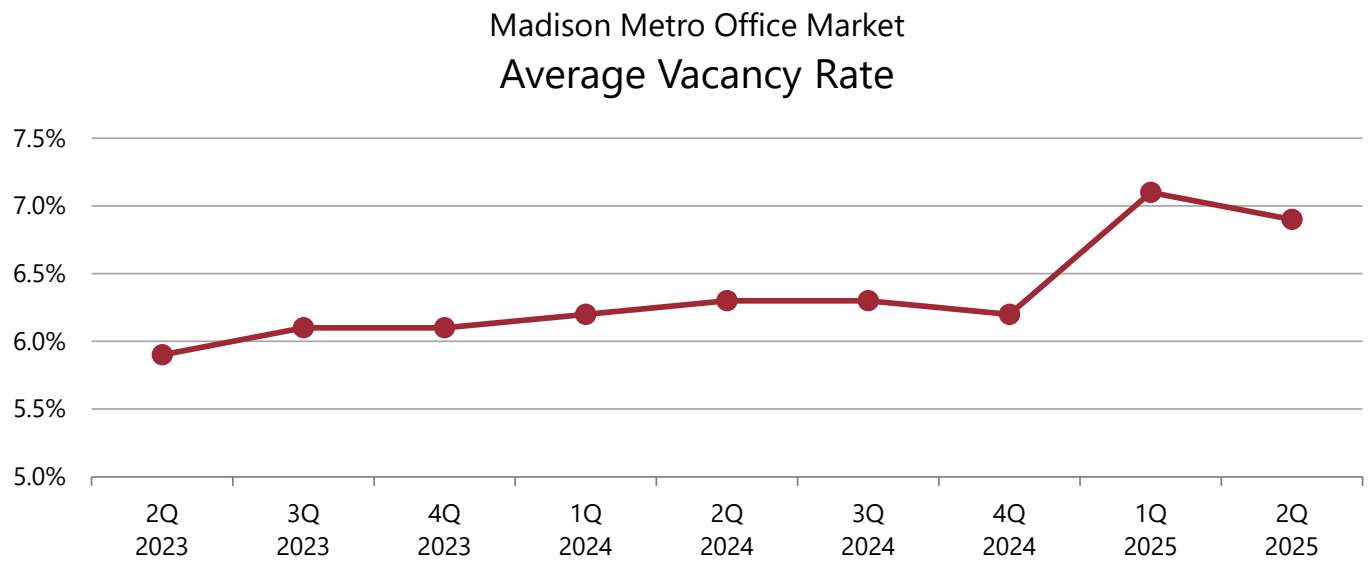
Sources: Marcus & Millichap and CoStar

Local Office Marketplace

Due to the relatively small size of the Madison market, obtaining specific data for the local office market is difficult. Therefore, this report relies upon research subscriptions and above all the appraiser's personal knowledge of the market. Kevin F. Meicher is a certified general appraiser with thirty years of commercial appraisal experience. His extensive knowledge of the market, based upon this firm's appraisals of a significant portion of the local office inventory, provides a current and historical understanding of the local market. To provide an analysis based upon traditional indicators, we utilize data published by CoStar, a local real estate research firm. It is important to note that the relatively small number of properties actively listed at any time can result in large fluctuations in certain categories from quarter to quarter.

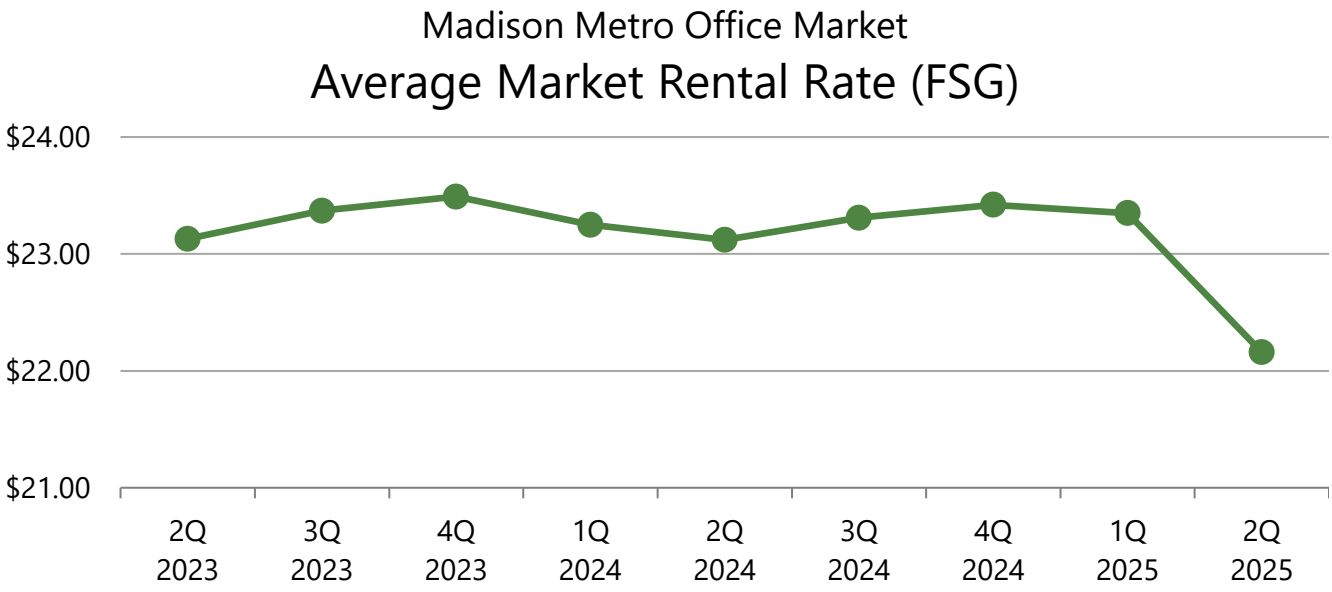
Vacancy Rates

The Madison Metro office market's overall vacancy rate increased to 6.9% in the second quarter of 2025, compared to 6.3% one year ago. The following graph displays the overall vacancy rate reported each quarter for the last two years.



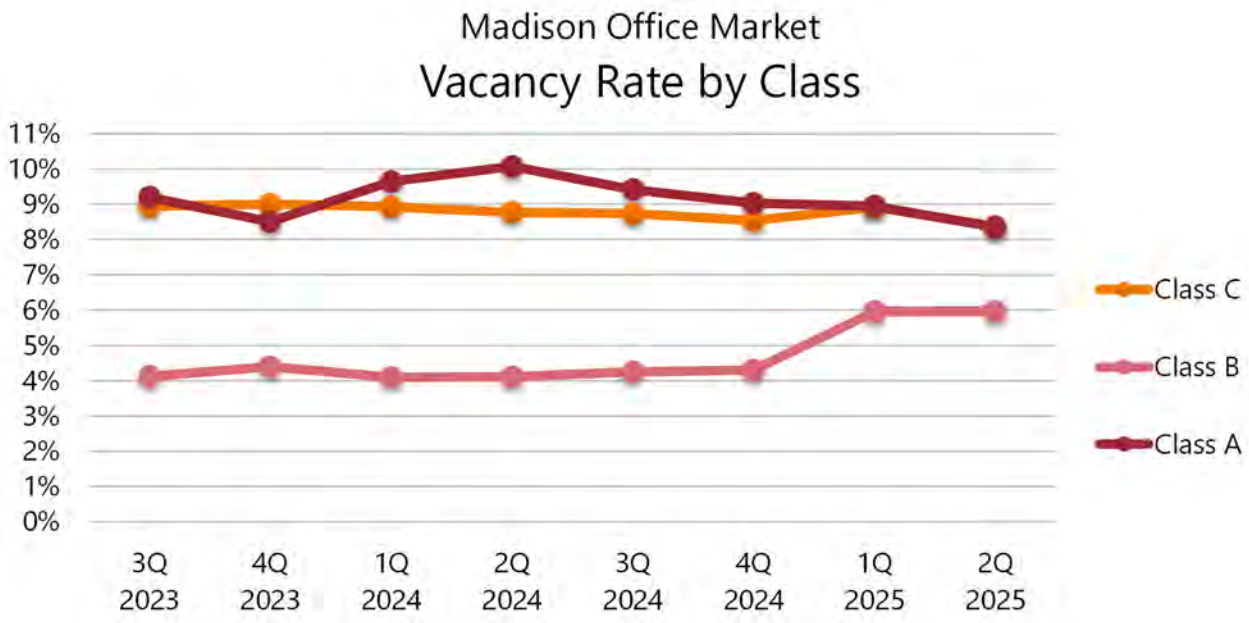
Source: CoStar

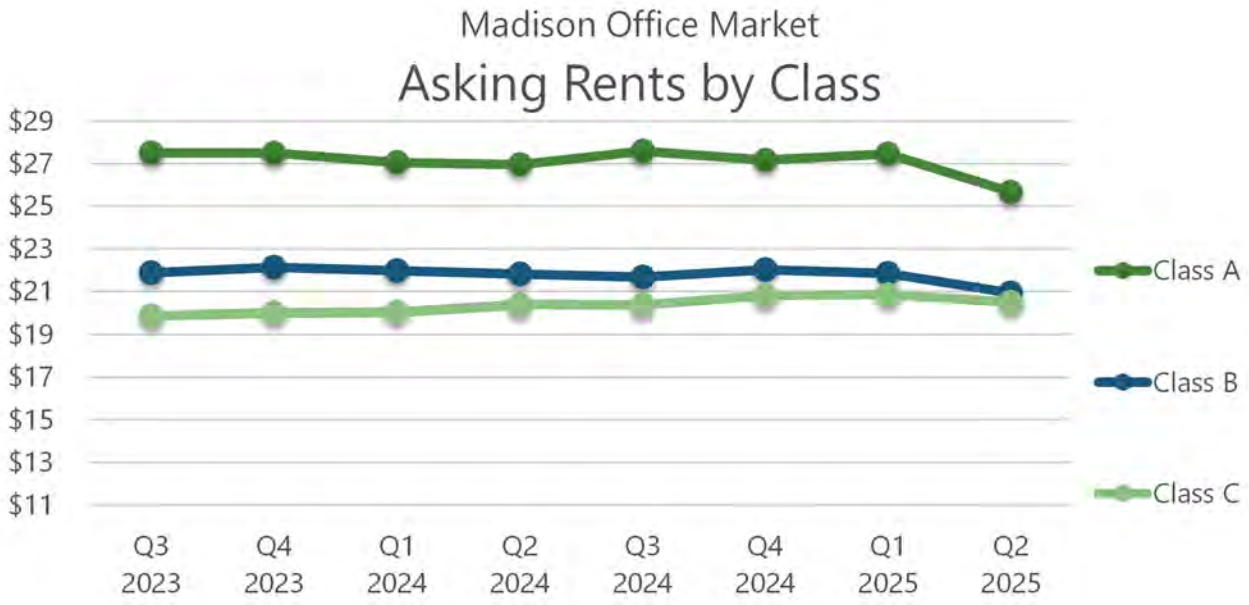
The Madison Metro office market's overall rent has decreased from $23.12 in the second quarter of 2024 to $22.16 in the second quarter of 2025. The following graph displays the overall average asking rental rate reported each quarter for the last two years.



Source: CoStar

At the beginning of 2024, the Class A vacancy throughout Madison was reported to be 9.6%, during the most recent quarter there was an 8.3% vacancy rate. Class B vacancies have increased, currently at 6.0% compared to 4.3% a year prior, while Class C vacancy is reported at 8.4%, decreasing from 8.8% a year ago. The average asking rents for the most recent quarter is $20.48 for Class C space, $20.92 for Class B space, and $25.66 for Class A space. The following chart displays historic vacancy rates and asking rents by class for each quarter for the past two years.

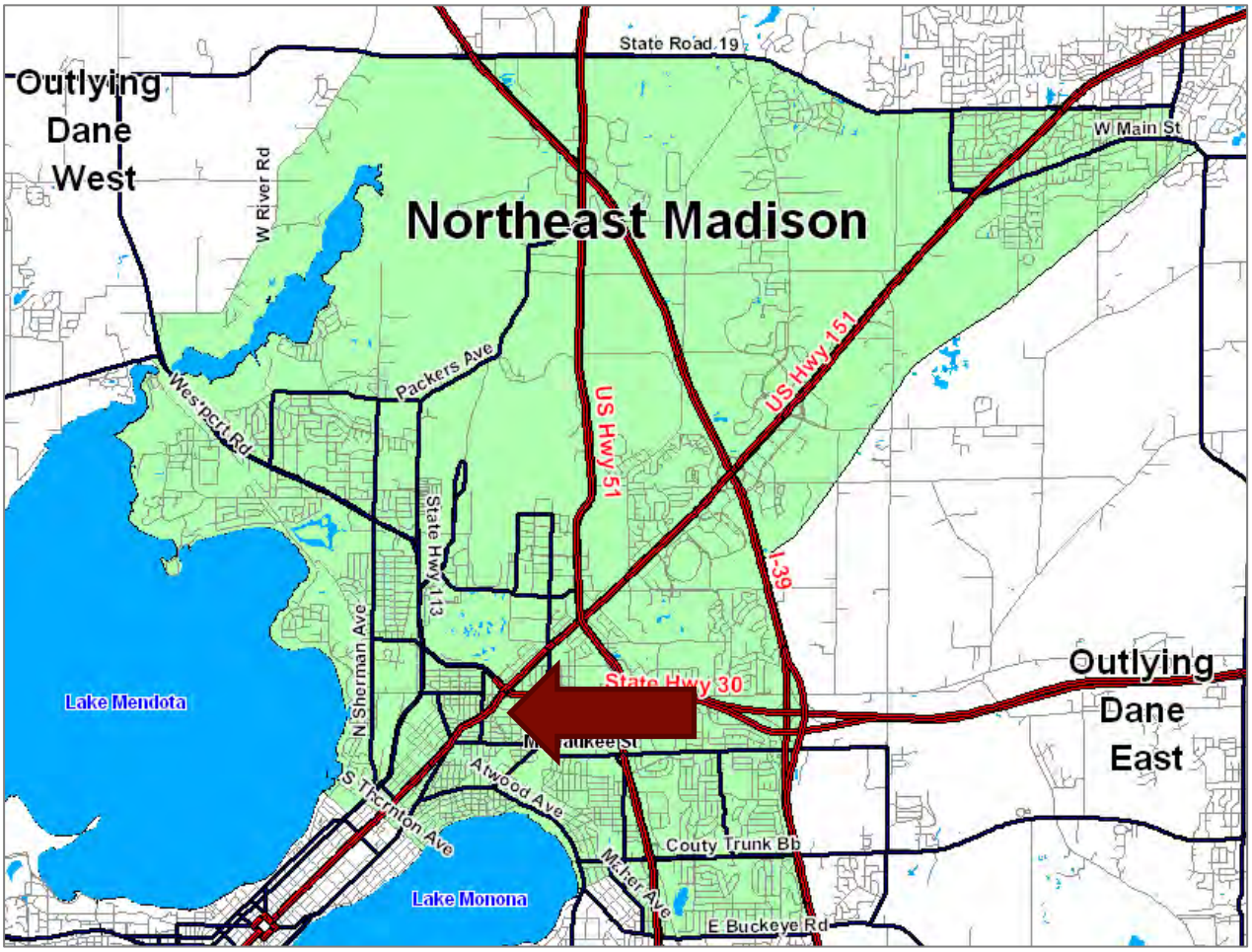




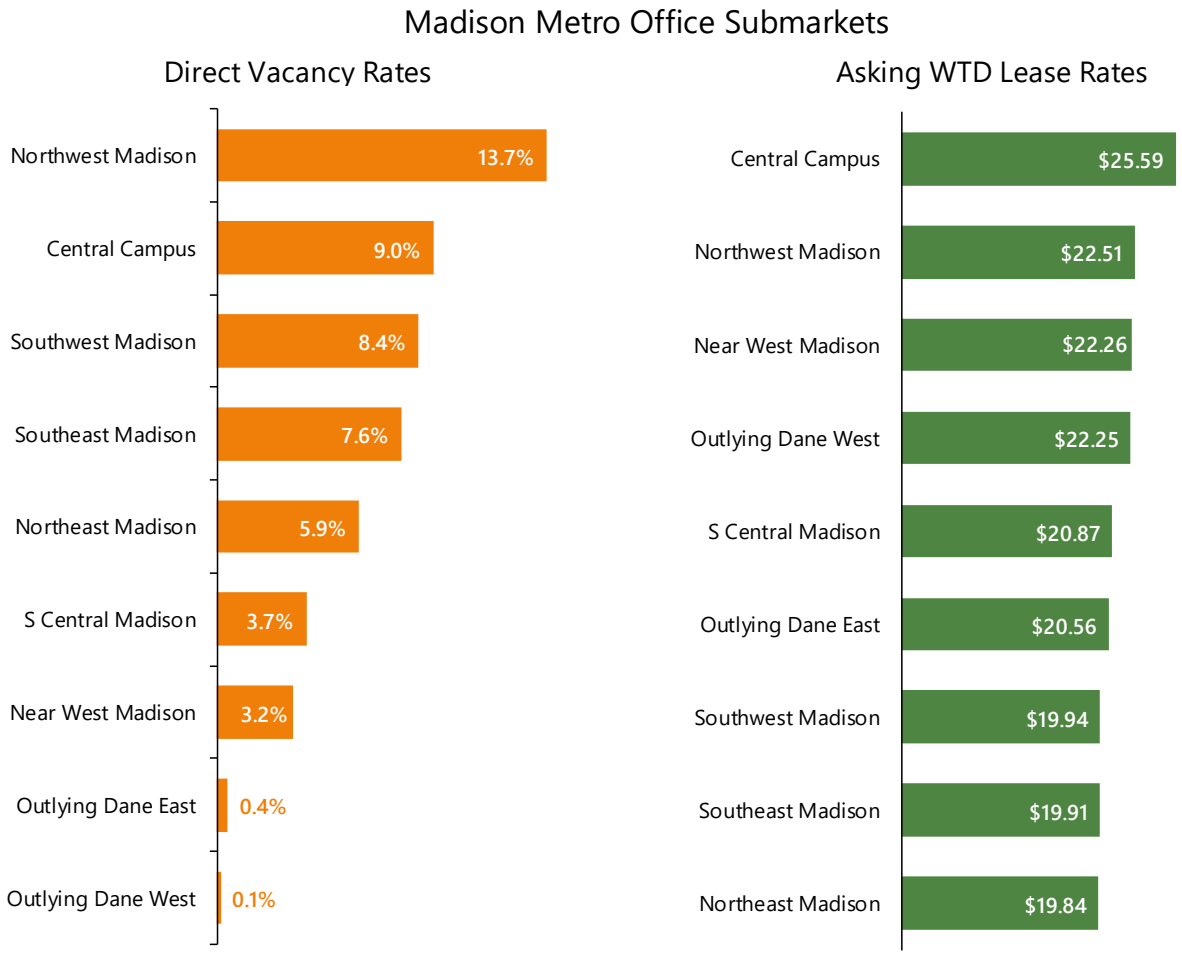
Source: CoStar

Submarkets

CoStar further segregates the Madison Metro Area (and surrounding area) into nine submarkets: Central Campus, Near West Madison, Northeast Madison, Northwest Madison, Outlying Dane East, Outlying Dane West, South Central Madison, Southeast Madison, and Southwest Madison. The following charts display the average vacancy rate and rental rate for each submarket as of the most recent quarter. Based on CoStar's submarket boundaries, the subject property is located in the Northeast Madison submarket.



This submarket reported a vacancy rate of 5.9% during the most recent quarter, with asking rents averaging $19.84 per square foot.



Source: Costar

Conclusion

The Madison office market has consistently outperformed national averages and the other large metro markets in the Midwest due to its strong employment base including the University of Wisconsin system and the state government. Completion of new office space are also at historic lows; therefore, the market has been able to absorb some of the excess inventory created prior to the recession. The Madison office market is expected to see vacancy rates continue to decrease and rental rates continue to increase during 2025.

Competitive Sub Market Analysis

To estimate the market rental rate for the subject property, we have surveyed several office and warehouse buildings located within the subject property's market area. These properties share similar characteristics to some degree, including physical and effective age, design, total building size and rentable area available, asking rental range (face/effective rents), locational influence, and supply and demand characteristics, which broadly allows comparison between each building. In turn, these properties tend to compete for the same group of tenant prospects.

DEFINITIONS

The following terms are commonly used to describe available space to lease:

- **RENTABLE AREA** is the amount of space on which the rental rate and reimbursement shares are based. The rentable area of a floor is fixed for the life of a building and is not affected by changes in corridor sixes or configurations. Rentable area is recommended for measuring the total income-producing area of a building and for calculating a tenant's share of a building for rent purposes.
- **Useable area** is the actual occupiable area of a floor or an office; computed by measuring the finished surface of the office side of corridor and other permanent walls, to the center of partitions that separate the office from adjoining useable areas. The useable are of a floor is equal to the sum of all usable area of that floor.
- **WHITE BOX** is a minimally finished space or building, in which the unit is ready for occupation with basic upgrades or build-out.
- **Raw or shell space** refers to unimproved, unfinished space; typically a newly constructed building.
- Competitive rental properties are leased under **GROSS TERMS**, in some instances with a base year stop associated with operating expenses, or on **TRIPLE-NET (NNN) TERMS**, whereby the tenant pays for all associated operating expenses. Rental listings may include an estimate of expenses per square foot for space leased on NNN terms.
- **ESCALATORS** within the market are typically based upon the consumer price index, or as stated between 2 to 4%.

The comparable rentals surveyed are detailed within the chart on the following page.

COMPARABLE RENTAL SURVEY CHART

#	Address	Available Sq Ft	Asking Rent	Terms	Comments	Contact
					Office Comparables	
1	**1320 Mendota Street Madison, WI**	150 - 12,000	$13.00 - $14.00	Gross+	33,816 square foot office building; constructed in 1978 and renovated in 1998; single story, multi-tenant building; up to 12,000 available square feet; offering 1-5 year lease terms.	Madison Commercial Ralph Kamps 608-345-2880
2	**2901 Packers Avenue Madison, WI**	5,000	$12.00	NNN	5,000 available square feet of office space inside 95,000 square foot building; constructed in 1973; single story, multi-tenant building; offering 3 year lease terms.	Artisan Graham Cory Lucke 608-416-5664
3	**2901 International Lane Madison, WI**	1,300 - 12,974	$17.50 - $20.00	Gross	Up to 12,974 available square feet of office space inside 31,000 square foot building; constructed in 2004; three story, multi-tenant building; offering 3 year lease terms.	Plato Commercial Kent Yan 608-240-2010
4	**2917 International Lane Madison, WI**	13,320	$15.25	Gross	13,320 available square feet of office space inside 39,960 square foot building; constructed in 1988; three story, multi-tenant building; offering 1 year lease terms.	Colliers International Colin McLandsborough 262-309-5597
5	**43 S Stoughton Road Madison, WI**	9,800	$11.50	NNN	9,800 square foot office building constructed in 1971; single story, single tenant building; offering 3 year lease terms.	NAI Madison Dan Holvick 608-220-7740
					Warehouse Comparables	
1	**4415 Robertson Road Madison, WI**	5,000	$9.75	Gross+	5,000 available square feet of flex-space inside 34,000 square foot building; constructed in 1980; space includes 700 square feet of office space, 14' ceiling heights, and one drive-in door; offering 3 year lease terms.	Oakbrook Corporation Anton Keuntjes 608-443-1039
2	**2401 Grimm Street Madison, WI**	24,000	$7.00	NNN	Stand alone, 24,000 square foot building; constructed in 2013; two-story, single tenant building; space includes 8,000 square feet of office space, two drive-in doors, one loading dock.	Newmark Chuck Redjinski 608-663-6006
3	**1828 Wright Street Madison, WI**	8,000	$7.50	NNN	8,000 available square feet of flex space inside 45,000 square foot building; originally constructed in 1900; space includes 2,000 square feet of office space, 17-19' ceiling heights, three drive-in doors, one loading dock; offering 3-10 year lease terms.	Ruedebusch Commercial Tom Phillips 608-243-9070
4	**3030 Gateway Place Madison, WI**	6,960	$9.00	Gross+	Stand alone, 6,960 square foot building; constructed in 1948 and 1963; single-story, single tenant building; space includes 1,000 square feet of office space, 20' ceiling heights, six drive-in doors, two loading docks, offering 1 year lease terms.	Altus Commercial Mitch Marty 608-214-6742

The office lease rates in the subject's market area range from $11.50 to $12.00 per square foot on NNN terms, $15.25 to $20.00 per square foot on gross terms, and one comparable at $13.00 to $14.00 on gross+ terms, varying primarily based on size and location. The warehouse lease rates range from $7.00 to $7.50 per square foot on NNN terms and $9.00 to $9.75 per square foot on gross+ terms, varying primarily based on size and location.

Adjustments were made to the rental rates to accurately compare to the subject facility.

- As a single-tenant building or multiple tenant per the four predominant areas, the subject's lease would be on NNN terms, therefore rent comparables on Gross terms required a downward adjustment.
- Active listings may be negotiated, therefore a downward adjustment was applied to each.
- Properties with superior locations were adjusted downward, with inferior locations were adjusted upward.
- Larger buildings / suite sizes required upward adjustments, while smaller buildings / suites required downward adjustments.
- The comparables that were older or in inferior condition warranted upward adjustments in this category while newer or in superior condition warranted downward adjustments.

The following chart displays the adjustments made to comparable rentals in comparison to the subject office facility.

LEASE RATE ADJUSTMENT GRID

The Salvation Army Facility 3030 Darbo Drive, Madison, WI									
COMPARABLE RENTS #	1	2	3	4	5	1	2	3	4
Rent Price per Sq Ft	$13.00	$12.00	$17.50	$15.25	$11.50	$9.75	$7.00	$7.50	$9.00
Rent Characteristics:			**Office Comparables**					**Industrial Comparables**	
Lease Terms	-20.00%	0.00%	-20.00%	-20.00%	0.00%	-10.00%	0.00%	0.00%	-10.00%
Renewal / Active	-5.00%	-5.00%	-5.00%	-5.00%	-5.00%	-5.00%	-5.00%	-5.00%	-5.00%
Economic Conditions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Date of Lease	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Rent Adjustments	**-25.00%**	**-5.00%**	**-25.00%**	**-25.00%**	**-5.00%**	**-15.00%**	**-5.00%**	**-5.00%**	**-15.00%**
Adjusted Rent Price per Sq Ft	$9.75	$11.40	$13.13	$11.44	$10.93	$8.29	$6.65	$7.13	$7.65
Physical Characteristics:									
Site Location	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Suite Size	-5.00%	-5.00%	-5.00%	-5.00%	-5.00%	-5.00%	5.00%	-5.00%	-5.00%
Age / Condition	-5.00%	-5.00%	-10.00%	-5.00%	-5.00%	0.00%	-5.00%	10.00%	10.00%
Build-out Quality	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Amenities	5.00%	5.00%	5.00%	5.00%	5.00%	0.00%	0.00%	0.00%	0.00%
Total Physical Adjustments	**-5.00%**	**-5.00%**	**-10.00%**	**-5.00%**	**-5.00%**	**-5.00%**	**0.00%**	**5.00%**	**5.00%**
Final Adjusted Rent Price per Sq Ft	$9.26	$10.83	$11.81	$10.87	$10.38	$7.87	$6.65	$7.48	$8.03
Total Adjustment %	**-28.75%**	**-9.75%**	**-32.50%**	**-28.75%**	**-9.75%**	**-19.25%**	**-5.00%**	**-0.25%**	**-10.75%**

Value Summary	Unadjusted	Adjusted
Mean per Sq Ft	**$13.85**	**$10.63**
Median per Sq Ft	**$13.00**	**$10.83**

Value Summary	Unadjusted	Adjusted
Mean per Sq Ft	**$8.31**	**$7.51**
Median per Sq Ft	**$8.25**	**$7.68**

RENTAL ANALYSIS CONCLUSION

As the facility is owner-occupied, the interest appraised includes the Fee Simple estate only. Therefore, the Market Value of the Fee Simple interest has been estimated based upon market lease terms. We have estimated blended market lease rates based upon the following allocations:

Market Rent Calculations				
1st Fl. Office	15,901	@	$11.00	$174,910
1st Fl. Office	6,152	@	$13.75	$84,594
Gymnasium	10,295	@	$8.25	$84,935
Office - LL	6,152	@	$6.88	$42,297
Blended	38,501		$10.04	$386,737

***Based upon Net Rentable Area (85% efficiency ratio)**

The annual gross potential income is estimated to be $386,737 in the Fee Simple condition based upon our market lease rates which will be utilized within our Static Cash Flow Analysis. The following chart indicates the estimate of gross potential income for the subject property based upon the market lease rates:

The Salvation Army Facility 3030 Darbo Drive, Madison, WI							
Suite # / Tenant Space	Tenant	Terms	Esc.	Lease Suite (SF)	Market Lease Rates		
					Per SF	Monthly	Annual
1st Fl. Office	Owner-Occ	NNN	TBD	15,901	$11.00	$14,576	$174,910
1st Fl. Office	Owner-Occ	NNN	TBD	6,152	$13.75	$7,050	$84,594
1st Fl. Gymnasium	Owner-Occ	NNN	TBD	10,295	$8.25	$7,078	$84,935
LL Office	Owner-Occ	NNN	TBD	6,152	$6.88	$3,525	$42,297
TOTALS				**38,501**	**$10.04**	**$32,228**	**$386,737**

SECTION V: SITE AND IMPROVEMENT ANALYSIS

Aerial Site View

Source; Dane County GIS

Site Analysis

The subject site contains approximately 112,060 square feet (2.57 acres) and is irregular in shape with level topography. The site has approximately 570 feet of frontage along Darbo Drive and 305 feet of frontage along Richard Davis Lane. Site improvements include asphalt surfaced driveway and parking areas, concrete walkways and curbing, lighting, signage, and average landscaping. The site is zoned CC-T, Commercial Corridor - Transition District, per the City of Madison.

SIZE:	112,060 square feet (2.57 acres), indicating a land-to-building ratio of 2.47 to 1
Frontage:	570 feet of frontage along Darbo Drive and 305 feet of frontage along Richard Davis Lane; ingress and egress are also from Darbo Drive.
PARKING:	Asphalt paved driveways approximately 56 stalls
Topography:	Level topography
UTILITIES:	Serviced with all necessary utilities for development
Site Improvements:	Site improvements include asphalt surfaced driveway and parking areas, concrete walkways and curbing, lighting, signage, and average landscaping; public street improvements include asphalt-surfaced streets with concrete curbs and gutters

Floodplain

According to the Federal Emergency Management Agency (FEMA), the subject is not located in a flood zone. The Community Panel Number for the map is 55025C0427H, and the effective date of this map is September 17, 2014. A copy of the flood map is located in the addendum. Minimal flood hazard zones are defined by FEMA as follows:

> *Areas outside the 1-percent annual chance floodplain, 1% annual chance sheet flow flooding where average depths are less than 1 foot, areas of 1% annual chance stream flooding where the contributing drainage area is less than 1 square mile, or areas protected from the 1% annual chance flood by levees. No base flood elevations or depths are shown within this zone. Insurance purchase is not required in these zones.*

Zoning

The site is zoned CC-T, Commercial Corridor - Transition District, per the City of Madison. The zoning code defines the district's purpose as follows:

> *The CC-T District is established to recognize the many commercial corridors within the City that remain largely auto-oriented, and to encourage their transformation into mixed-use corridors that are equally conducive to pedestrian, bicycle, transit and motor vehicle activity. The district is also intended to: (a)Improve the quality of landscaping, site design and urban design along these corridors.(b)Maintain the viability of existing residential uses located along predominantly commercial corridors.(c)Encourage appropriate transitions between higher-intensity uses along commercial corridors and adjacent lower-density residential districts.(d)Facilitate preservation development or redevelopment consistent with the adopted goals, objectives, policies, and recommendations of the Comprehensive Plan and of adopted neighborhood, corridor or special area plans.(e)Structured parking is encouraged.*

A specific compliance analysis was not performed to determine whether or not the subject property is in conformance with all zoning parameters, such as landscape surface ratios, maximum floor area ratios, minimum lot area requirements, and maximum building size requirements. It is assumed that the property will be constructed in compliance with all applicable zoning and building codes, therefore it is anticipated that the subject would be classified as a legal and conforming use within this district. Any conformance issues with the zoning text are subject to interpretation by City of Madison personnel.

Easements and Encroachments

Typical utility and driveway easements exist on the site. These easements are normal and do not negatively impact the overall development. No apparent encroachments or adverse easements were noted from physical inspection; however, the appraiser makes no guarantee in that regard. We assume for purposes of this report that there are no adverse easements or conditions. From an inspection of the site and a review of the site plan, the usual utility, sanitary sewer and stormwater easements exist on the property.

Environmental

The appraiser(s) are not qualified to detect the presence of environmental contaminants. The presence of potentially hazardous materials may impact the value of the property. Unless otherwise stated in this report, the value estimates are predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover such contaminants. Any party relying on this appraisal is urged to retain an expert in this field, if desired.

CONCLUSION

Based upon our analysis of the site, this site appears to be adequate for the subject building and there were no adverse conditions noted. The site has all of the necessary development approvals for the existing office building and the CC-T District, zoning is currently in place. Therefore, a purchaser of the site would be bound by the zoning and approvals in place and would either purchase the site with the intention of developing the current project or incur time and expense in rezoning for another use.

Improvement Analysis

The Salvation Army Office Building was originally constructed in 1962 with addition in 1966. The Salvation Army purchased the building for owner occupancy in 1994 and completed a gymnasium addition in 2012. This facility is Class C constructed with Class C market orientation. This facility features multiple private offices, meeting rooms, commercial kitchen, game rooms, gymnasium with basketball court and fitness room. The facility includes 33,183 square feet of office space that includes 7,238 square feet of finished basement area. The gymnasium contains approximately 12,112 square feet. There is an additional 5,096 square feet of unfinished basement area utilized for storage.

This facility is constructed upon a concrete foundation and reinforced concrete slab, with steel and concrete framed structures, and brick and wood exterior facade. The roof is hip style with asphalt shingles, flat style with a rubber membrane roof, and gable style with steel coverings. Interior features include ceramic tile, vinyl tile, and carpeted flooring; painted drywall; acoustical tile ceilings with recessed fluorescent lights; wood trim and solid core doors. The building has multiple interior staircases and freight elevator serving all levels. This building is heated and cooled via forced air furnace and central air conditioning.

General descriptions per the plans and specifications provided to the appraiser of the building and construction components are summarized in the following pages.

General Construction

Framing: Concrete slab and concrete foundations with steel and concrete framed structures

Exterior Walls: Brick and stone exterior

Roof: Hip style with asphalt shingles, flat style with a rubber membrane roof, and gable style with steel coverings

Doors and Windows: Glass and steel entry doors and aluminum framed windows

Electric Service: Could not be verified, assumed to be adequate

Plumbing Components: Multiple men's and women's restrooms

Building Area: The gross building area as contained below is based upon a review of the blueprints and information received from the owner. Therefore, this report and the value estimates contained within are subject to verification of any discrepancies, which may deviate from the areas reported.

Subject Summary Chart

The Salvation Army Facility 3030 Darbo Drive, Madison, WI		
Site Area	**Acres**	**Square Feet**
Total Site Area	**2.57**	**112,060**
Building Area	**Built**	**Square Feet**
Office Building	**1962/1966/2012**	
Lower Level - Storage		5,096
Lower Level - Office		7,238
First Floor - Office		25,945
Gymnasium		12,112
Total Building Area		**50,391**
Gross Finished Building Area		**45,295**

Interior Amenities

Floor Coverings:	Ceramic and vinyl tile and carpeted flooring
Interior Walls:	Painted drywall
Ceilings:	Acoustical tile ceilings
Interior Doors:	Wood solid core doors
Lighting:	Recessed fluorescent fixtures
Heating & AC:	Forced air and central air conditioning
Security/Sprinkler:	Security system / no sprinkler
Tenant Finishes:	Consistent with Class C office / professional building finishes

Condition and Utility of the Improvements

Accrued depreciation is the difference between the cost new of the improvements and the present worth of those improvements measured as of the date of the appraisal. Depreciation includes loss in value from three basic categories: physical depreciation, functional obsolescence, and economic (external) obsolescence.

Physical Depreciation

Physical depreciation is the loss in value caused by deterioration or impairment of condition as a result of normal wear and tear and the actual aging of the physical components. It may be curable or incurable.

Curable physical depreciation refers to items of deferred maintenance, while incurable physical deterioration identifies items of deterioration that cannot be economically corrected at the present time.

As of the effective date of the appraisal, the physical age of the property is 13 to 63 years as the facility was originally constructed in 1966 with multiple additions. Due to the age and condition of the building, the effective age has been estimated at 10 to 20 years. According to the Marshall Valuation Service, improvements such as the subject building have an economic life expectancy of approximately 45 years. This indicates overall incurable physical depreciation of approximately 22 to 44 percent.

Deferred maintenance, or curable physical depreciation, was not observed in this building.

Functional Obsolescence

Functional obsolescence is a loss in value due to a lack of utility or desirability of part or all of the property inherent to the improvements and may be curable or incurable. Functional obsolescence includes the overall layout and design with multiple additions.

Economic Obsolescence

Economic (external) obsolescence is the adverse effect on value resulting from influences outside the property itself. This includes changing property or land use patterns, imbalance between supply and demand, shifting real estate markets, or an adverse economic climate.

External obsolescence is considered to be present to the extent that any prospective purchaser of this property for the proposed use as an office building should take into consideration the large amount of new construction either recently completed or "coming on-line" in the near future. This "spike" in additional square footage, which must be absorbed into the market, leasing costs, and subjectivity associated with projecting an absorption period for the subject are considered to be reflected in external obsolescence. This type of adjustment is analogous to considering new construction, where the value "upon completion" is in many instances, substantially less than the value "upon stabilization" due to the absorption and leasing costs to reach a level of stabilized income and expenses.

Real Estate Taxes and Assessed Values

The subject property is assessed by the City of Madison Assessor's Office. Assessed values are based upon the assessor's estimate of fair market value, typically through an application of a sales comparison approach, as well as an income approach when applicable. According to the state law in Wisconsin, the most reliable indication of the market value of a property is a recent sale of that property, if available.

As the subject property is utilized as a non-profit community facility it qualifies for tax-exempt status. Therefore, the property is not assessed and no real estate taxes are levied.

Real estate taxes are paid one year in arrears; for instance, 2024 taxes are due on January 31, 2025, or in four installments payable on January 31, March 31, May 31, and July 31, 2025. As it is difficult to project assessment trends in future years, investors are cautioned to consider the effects of a sharp increase, or "spike", in the assessed value in future years as a result of reassessments and/or property appreciation rates.

SECTION VI: HIGHEST AND BEST USE / VALUATION METHODOLOGY

Highest and Best Use Analysis

Since real estate value is determined by its use potential, the reported value estimates are based on the highest and best use of the property. An analysis of the highest and best use of a property provides the foundation for a thorough investigation of the interaction of market forces. The collection and analysis of the general data used to estimate property value provides the evidence on which a highest and best use conclusion is based.

Highest and Best Use is defined as:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The highest and best use must meet four test criteria; namely, legal permissibility, physical possibility, financial feasibility, and maximal profitability.

1. Legally Permissible Uses - What uses are legally permitted on the subject site with respect to zoning ordinances and deed restrictions?
2. Physically Possible - What uses are physically possible on the subject site?
3. Feasible Uses - Of those uses determined to be physically possible and legally permissible, which ones will produce a positive return?
4. Highest Net Return - Of those uses that are feasible, legally permissible, and physically possible, which will produce the highest net return?

Estimating the highest and best use generally involves consideration of the subject property under two scenarios: *as vacant* land and *as presently improved*. The *as vacant* scenario assumes that the subject site is vacant or can be made vacant for development. The highest and best use *as improved* addresses whether the existing improvements are the best utilization of the property. The highest and best use of the underlying land may differ from that of the property as improved if the improvements do not constitute an appropriate use generating the highest net return to the land. The overall purpose of determining the highest and best use of the property is to identify the use that would be expected to produce the greatest site value.

When potential buyers contemplate purchasing real estate for personal use or occupancy, their principal motivations are perceived benefits of enhanced enjoyment, prestige, and privacy. Purchasers of investment property are frequently motivated by the promise of net income or capital accumulation and certain tax advantages. These investors are more directly concerned with feasibility, an indication that a project has a reasonable likelihood of satisfying their specific objectives. These objectives may include assured occupancy, establishing operating costs at a reasonable and acceptable level, and potential property appreciation.

"As If Vacant"

Legally Permissible

The site is zoned CC-T, Commercial Corridor - Transition District, per the City of Madison. Legally permissible uses would be those which fall within the constraints of the zoning parameters as previously discussed. If the site were vacant, the current zoning would legally encumber the site to be developed as per the municipal approvals currently in-place. Any other type of development would most likely be subject to rezoning and approvals. Given surrounding land use patterns, some type of commercial development would most likely be allowable, either by alternative zoning, variances, and/or municipal approvals.

Physically Possible

To be a physically possible use, the size, shape and topographical features of the site must be adequate in order to support any proposed or existing development. The subject property is situated on a site that contains approximately 112,060 square feet (2.57 acres) and is irregular in shape with predominately level topography.

The size of the site is sufficient to support the existing building. The shape and topography of the parcel do not appear to limit any legally permissible uses, either as currently zoned or under a scenario of rezoning (as if vacant) for some alternative type of development. The site is served with all necessary public utilities that should have sufficient capability to serve most forms of commercial development (consistent with surrounding land use patterns). It is assumed the site has adequate load-bearing capacities for development. Therefore, the physical aspects of the site do not appear to impose constraints that would restrict it from being developed under the highest and best use.

Financially Feasible and Maximally Productive Use

The last two elements pertain to financial feasibility and maximum profitability. The Highest and Best Use of the property, after meeting the first two constraints, must prove to be financially feasible and maximally productive. The use must be expected to produce a positive net income or rate of return to an investor. In order to provide maximum return, careful consideration must be given to any infrastructure costs to be incurred for the development, as well as various soft costs that will be incurred by the developer. The developer must consider the supply and demand characteristics of the local market and the potential users of the planned development for this area.

As vacant and after considering the previously discussed legally permissible and physically possible uses, it is the appraiser's opinion the most financially feasible and maximally productive use of the site would for some type of commercial development. Sufficient demand is considered to exist, as evidenced by survey data reviewed regarding vacancy rates, occupancy levels, past operating history of similar properties in the area, supply and demand characteristics in the immediate area, and development trends. An office development is considered to be consistent with surrounding land use patterns and should result in the highest underlying land value.

"As Improved"

The highest and best use of the subject facility as improved is for the continued use as the Salvation Army Office Building. This type of use is considered to provide the greatest return to the property as it is presently improved. Based upon the current layout and finishes, the property is classified as a Class C constructed office building with a Class C market orientation. Demand for the use is considered to exist, as evidenced by development patterns in the area, and overall supply and demand characteristics in the immediate area. This type of use is considered to provide the greatest return to the property, with consideration given to the improvements and current legal encumberments as per the existing zoning parameters

The Valuation Methodology will be developed next. The highest and best use analysis has formed the basis for comparison in the three approaches to value.

Valuation Methodology

The valuation process involves researching current market conditions and trends as well as collecting and analyzing specific site data relating to the subject property. Based upon the market and site-specific data obtained, an analysis of the subject's competitive position and market appeal may then be prepared. Value conclusions are drawn based upon this information and the informed judgment of the appraiser.

Valuation Approaches Defined

In the valuation of real estate, any one or any combination of the three traditional appraisal methods may be used. These three methods are known as the cost, sales comparison, and income approaches to value. All three approaches are based on the principle of substitution.

Cost Approach

The methodology of the cost approach suggests that the value of the property being appraised tends to be set by the cost of producing an equally desirable substitute property without undue delay. This approach entails the preparation of a replacement or reproduction cost estimate for the subject improvements new (maintaining comparable quality and utility) and then deducting for losses in value sustained through physical, functional, and economic obsolescence. The estimated land value is then added to the cost, as adjusted, to arrive at a final value estimate. The accuracy of the cost approach is determined to a large extent by the availability of data on land sales and construction costs as well as estimates of physical, functional, and economic depreciation. This approach is most accurate when used for a property that is improved to its highest and best use and where depreciation is of little consequence. It is most often used for newly constructed, proposed properties or for special purpose properties like hospitals, churches, or schools where data regarding the other two approaches is limited or not relevant.

Sales Comparison Approach

The methodology of the sales comparison approach suggests that the value of the property being appraised tends to be set by the cost of acquiring an equally desirable substitute property without undue delay. This approach requires a detailed comparison of sales of comparable properties to the subject property. The accuracy of this approach is determined to a large extent by the existence of and availability of data on recent sales of properties that are similar to the subject in use, location, age, size, quality, condition, and general appeal. Therefore, a sufficient number of comparable sale transactions must be available for analysis, and the information obtained including price, financial terms, and property description must be reasonably reliable. As such, this approach is most accurate when used for properties that have wide market appeal and are frequently bought and sold on the open market. It can be used with a variety of property types and is the only relevant approach in most vacant land appraisals.

Income Approach

The methodology of the Income Approach suggests that the value of the property being appraised tends to be set by the present worth of its future benefits. For rental properties, the future benefits are defined as the projected net operating income (i.e., cash flow before debt service) plus the net sales proceeds at disposition. The present worth of the future benefits may be estimated by the direct capitalization method or by a discounted cash flow (DCF) analysis. The accuracy of the income approach depends to a large extent on the availability of comparable rental data, vacancy rates, operating expenses, holding costs, and the perceived rate of return required by investors for the property type being analyzed.

VALUATION APPROACHES DEVELOPED

In this appraisal only the sales comparison and income capitalization approaches to value have been developed. Both approaches have relevance for the valuation scenario being developed for this report.

The **cost approach** reflects the value of the property based upon its replacement cost, less depreciation, with an additional allowance for the underlying land value. Given the older age of the subject property, the limited vacant land sales in the subject area, and the subjectivity of depreciation, this approach was not considered to provide a credible value estimate and therefore was not utilized.

The **sales comparison approach** is developed to estimate the value of the property based upon a review of comparable sales. These comparables are considered to provide an indication of value for a similar product type. Relevant economic indicators were extracted from this approach to estimate the market value, and a range of values was developed due to the varying investor attitudes relative to owner-occupancy versus investment / leasing ownership. As the purchases of these types of properties are primarily based upon their income-producing potential, this approach will be used as a "check" against the income capitalization approach. The sales comparison approach has been developed to estimate the Market Value of the subject property in "As Is" condition.

The **income capitalization approach** is developed to estimate the market value of the property based upon its income producing potential. Consideration is given to a survey of market lease rates and the subject's lease rates; average vacancy rates within the market; the subject's projected operating income and expenses and industry survey data for average operating expenses; and capitalization and discount rates derived from comparable sales and survey data. This data will be used to estimate the Market Value of the subject property in "As Is" condition via a Static Cash Flow (SCF) analysis.

The cost approach will be developed first.

SECTION VII: COST APPROACH

Cost Approach

The cost approach is predicated on the assumption that an informed investor would pay no more for a property than the cost of producing a substitute property having the same utility, without undue delay. The basic steps of this approach are:

1. *Estimate the value of the site as though vacant.*
2. *Estimate the reproduction cost or replacement of the building and site improvements new.*
3. *Estimate the dollar amount of accrued depreciation resulting from physical deterioration (curable and incurable), functional obsolescence, and external (economic or environmental) obsolescence.*
4. *Deduct accrued depreciation from the cost new, and add the estimated site value.*
5. *For properties substantially leased, or in "going concern" situations, it is appropriate to account for the costs of achieving the current level of occupancy or utilization.*

The cost approach reflects the value of the property based upon its replacement cost, less depreciation, with an additional allowance for the underlying land value. Given the older age of the subject property, the limited vacant land sales in the subject area, and the subjectivity of depreciation, this approach was not considered to provide a credible value estimate and therefore was not utilized.

SECTION VIII: SALES COMPARISON APPROACH

Sales Comparison Approach

The "Sales Comparison Approach" is defined in *The Appraisal of Real Estate*, 15th Edition (sponsored by the Appraisal Institute) as:

> *Approach through which an appraiser derives a value indication by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison and making adjustments, based on the elements of comparison, to the sale prices of the comparable sales.*

Office properties such as the subject are classified as income-producing real estate. As such, the value is generally established by the annual cash flows and reversion value the property can be expected to generate. The sales comparison approach emphasizes the physical and economic elements of the subject property; however, it is usually not a *primary* indicator of value due to the varying economic factors specific to each property.

Accurate comparative analysis is made difficult by the financial complexity of most office building investments. Rates of return are significantly impacted by the property's potential for future income enhancement, financing terms, and the efficiency with which management is operating the building. Therefore, it is important to know current effective rental rates and rental projections, the extent to which the projected rates will be competitive within the market, projects both under construction and proposed within the competitive market at the time of sale, a general understanding of the market area's economic trends, and the prospects of enhancing income through more efficient management policies. Such information is rarely completely available and the abstracted data can consequently only provide a general indication of current investment trends. The major advantage of alternative valuation approaches such as the income capitalization approach is that typical investor requirements (in terms of anticipated returns and yields) are weighed against a more accurate projection of the property's future income potential, as supported within the immediate market.

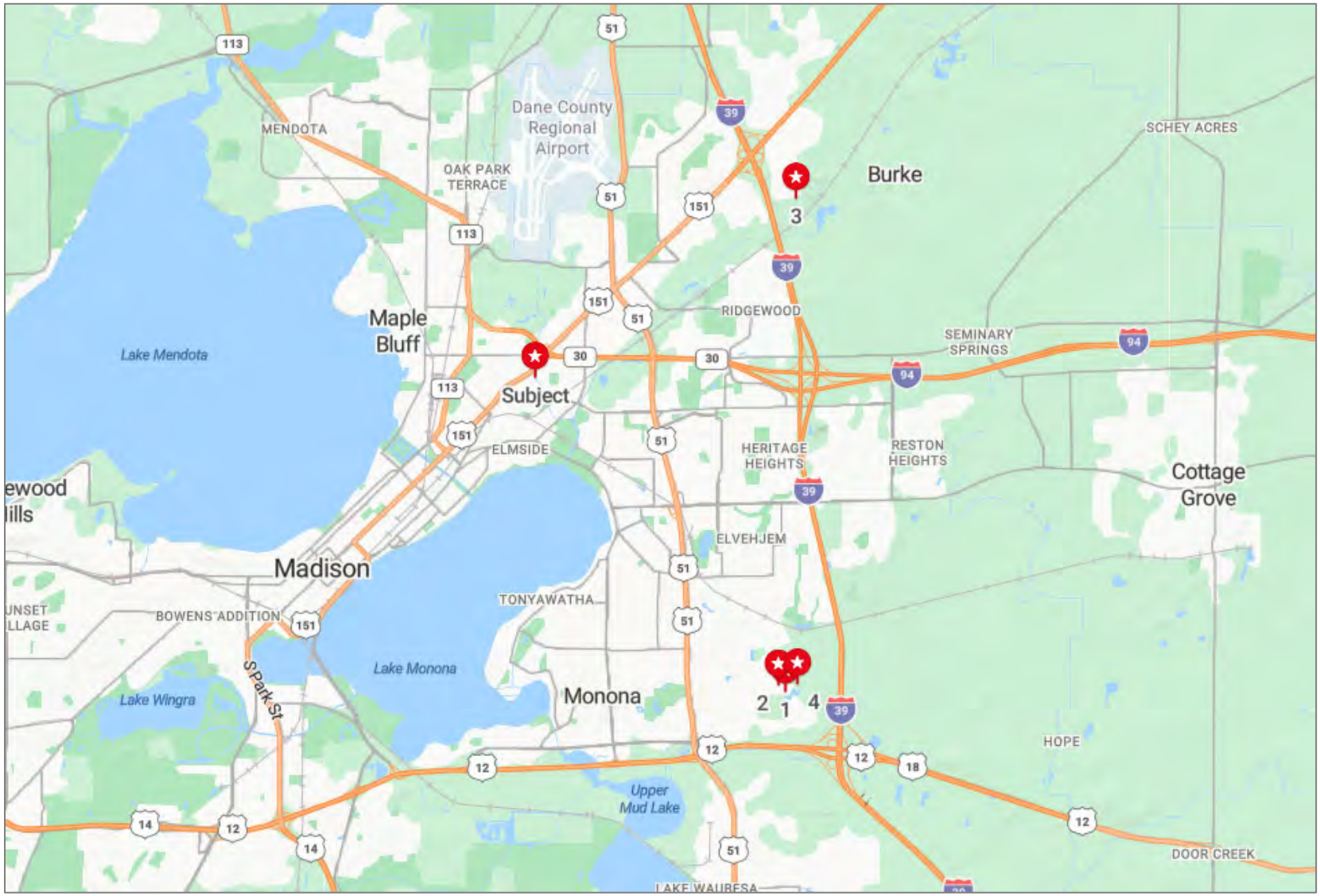
Comparable properties are best analyzed on a unit of comparison basis (e.g., per square foot, acre, etc.). By using the appropriate unit of comparison, the effect of varying property sizes can be mitigated. The most common unit of comparison for office properties such as the subject is the price per square foot of building improvements (including land). Analyzing these indicators most closely reflects the actions and decision processes of buyers and sellers in the marketplace.

COMPARABLE IMPROVED SALES

The sales comparison approach is developed to estimate the value of the property based upon a review of comparable sales. These comparables are considered to provide an indication of value for a similar product type. Relevant economic indicators were extracted from this approach to estimate the market value, and a range of values was developed due to the varying investor attitudes relative to owner-occupancy versus investment / leasing ownership. As the purchases of these types of properties are primarily based upon their income-producing potential, this approach will be used as a "check" against the income capitalization approach. The sales comparison approach has been developed to estimate the Market Value of the subject property in "As Is" condition. Please note, conventional office buildings do not contain daycare or gymnasium components.

A map of the comparable sales' locations is contained on the following page, followed by a summary of each comparable sale considered applicable.

Sales Location Map



Comparable Improved Office Sale #1

Property Identification			
Project Name:	5303 Fen Oak Office	**Address:**	5303 Fen Oak Drive
Property Type:	Office Building		Madison, WI

Building Description		Site Description	
GBA (sf):	33,516	**Size (sf):**	152,490
RBA (sf):	33,516	**Land-to-Building Ratio:**	4.55
Class:	Class B	**Zoning:**	PD
Construction Type:	Steel / Concrete	**Parking:**	116 surface stalls
Year Built:	2000	**Parcel Number:**	251/0710-221-0415-4
Stories:	1	**Site Improvements:**	Parking & Drives; Landscaping
Occupancy/Tenants:	0%/Single-Tenant		

Transaction Details		Economic Indicators	
Buyer:	Internation Brotherhood of Electrical Workers	**$/SF GBA:**	$88.61
Seller:	Hastings East Development LLC	**$/SF RBA:**	N/A
Date:	5/5/2023	**Proforma Cap Rate:**	N/A
Price:	$2,970,000	**Actual Cap Rate:**	N/A
Financing:	Conventional		
Verification:	CoStar Realty / Public Records		

Comments

This property is located in the World Dairy Center on Madison's southeast side. The building was originally constructed in 2000 and is currently vacant. Previous sale in 2015 - $5,075,000 leased by American Transmission Company is on a NNN lease with five years remaining on the lease; one five year renewal option, and annual rent of approximately $435,435, indicating a capitalization rate of 8.50%.

Comparable Improved Office Sale #2

Property Identification			
Project Name:	2820 Walton Commons	**Address:**	2820 Walton Commons
Property Type:	Office Building		Madison, Wisconsin

Building Description		Site Description	
GBA (sf):	35,491	**Size (sf):**	151,811
RBA (sf):	35,491	**Land-to-Building Ratio:**	4.28
Class:	B	**Zoning:**	PD
Construction Type:	Steel Framed	**Parking:**	Asphalt paved
Year Built:	1995	**Parcel Number:**	251/0710-221-0413-8
Stories:	1	**Site Improvements:**	Parking & Drives; Average Landscaping;
Occupancy/Tenants:	N/A / Multiple-tenant		

Transaction Details		Economic Indicators	
Buyer:	Beck's Enterprises of DC LLC	**$/SF GBA:**	$81.71
Seller:	Paradise Trust	**$/SF RBA:**	$81.71
Date:	7/19/2022	**Proforma Cap Rate:**	13.52%
Price:	$2,900,000	**Actual Cap Rate:**	N/A
Financing:	Conventional		
Verification:	Assessor/Public Records		

Comments

The Walton Commons Office Building is a single-story office building that was originally constructed in 1995. This office building is a multiple tenant office building. The building is classified as Class C construction with a Class B market orientation and contains a total gross building area of approximately 35,491 square feet.

Comparable Improved Office Sale #3

Property Identification			
Project Name:	American Family Insurance	**Address:**	2335 City View Drive
Property Type:	Office		Madison, WI

Building Description		Site Description	
GBA (sf):	50,400	**Size (sf):**	250,024
RBA (sf):	50,400	**Land-to-Building Ratio:**	4.96
Class:	Class B	**Zoning:**	SE
Construction Type:	Steel	**Parking:**	340 Surface Stalls
Year Built:	1999	**Parcel Number:**	251/0810-271-1501-4
Stories:	2	**Site Improvements:**	Parking & Drives; Landscaping
Occupancy/Tenants:	100% / Single-Tenant		

Transaction Details		Economic Indicators	
Buyer:	Aspire 700 Rayovac LLC	**$/SF GBA:**	$133.60
Seller:	American Family Mutual Insurance Company S.I	**$/SF RBA:**	$133.60
Date:	7/21/2023	**Proforma Cap Rate:**	N/A
Price:	$6,733,500	**Actual Cap Rate:**	N/A
Financing:	Conventional		
Verification:	CoStar / Public Records		

Comments

This two-story office building was originally constructed in 1999 and is located in along City View Drive. American Family Insurance owner occupied the building and vacated in 2022. The buyer will owner occupy the enitre building.

Comparable Improved Office Sale #4

Property Identification			
Project Name:	5459 Fen Oak Drive	**Address:**	5459 Fen Oak Drive
Property Type:	Office		Madison, WI

Building Description		Site Description	
GBA (sf):	31,801	**Size (sf):**	150,218
RBA (sf):	31,801	**Land-to-Building Ratio:**	4.72
Class:	Class B	**Zoning:**	PD
Construction Type:	Steel	**Parking:**	Surface Stalls
Year Built:	2006	**Parcel Number:**	251/0710-221-0409-7
Stories:	1	**Site Improvements:**	Parking & Drives; Landscaping
Occupancy/Tenants:	84.9% / Multiple-Tenant		

Transaction Details		Economic Indicators	
Seller:	Fen Oak LLC	**$/SF GBA:**	$121.91
Buyer:	Good Mazel LLC	**$/SF RBA:**	$121.91
Date:	11/18/2021	**Proforma Cap Rate:**	N/A
Price:	$3,876,915	**Actual Cap Rate:**	N/A
Financing:	Conventional		
Verification:	Seller Public Records		

Comments

The Fen Oak Office Building is a single-story office building that was originally constructed in 2006. This office building is a multiple tenant office building. The building is classified as Class C construction with a Class B market orientation and contains a total gross building area of approximately 31,801 square feet.

SALES SUMMARY CHART

#	Property Name	Sale Date	GBA (Sq Ft)	Total Sale Price	Price per SF	Year Built
1	**5303 Fen Oak Office**	May 2023	33,516	$2,970,000	$89	2000
2	**2820 Walton Commons**	Jul 2022	35,491	$2,900,000	$82	1995
3	**American Family**	Jul 2023	50,400	$6,733,500	$134	1999
4	**5459 Fen Oak Drive**	Nov 2021	31,801	$3,876,915	$122	2006
		Mean	**37,802**	**$4,120,104**	**$106**	
		Median	**34,504**	**$3,423,458**	**$105**	

ADJUSTMENT ANALYSIS

A general discussion of the adjustments made for these sales is provided within the following paragraphs. The first step in an analysis of office buildings is to select an appropriate unit of comparison from which adjustments and comparisons can be made. The unit of comparison applied in this analysis will be the sale price per square foot of gross building area. Each comparable sale utilized is adjusted accordingly to reflect the similarities or differences between the property types, as is shown on the Comparable Improved Sales Adjustment Grid at the end of this section. Adjustments to the comparable sales are taken for the sale's characteristics and the building's physical characteristics.

Sale Characteristics

The subcategories of adjustments prior to considering physical attributes include property rights transferred, financing, conditions of the sale, economic conditions, and time. Applying adjustments to the sale price of each comparable for these categories results in a current, cash terms, and transaction of equivalent property rights between typically motivated participants.

Property Rights Transferred

The comparable sales primarily represented arm's-length transactions, which involved the transfer of fee simple interest on an all cash or equivalent terms basis. No legal encumbrances were present which could be considered to have been a detriment or an enhancement to the appeal and marketability of title. Therefore, no adjustments were required for the property rights conveyed.

Financing

No adjustments are required if the terms and conditions of the comparable sale financing is considered to be typical for this type of transaction and indicative of market trends. Although, sales that transfer via land contract, with seller financing, etc. require a downward adjustment. Based upon the financing terms that could be verified, the comparable sales were sold for cash or cash equivalent terms. Therefore, the terms and conditions of these transfers did not require any financing adjustments.

Conditions of Sale

Sales that are sold within a portfolio, or properties are located within an area of high vacancies, crime problems, etc., which may have reflected a discounted sales price are adjusted upward in comparison to the subject property. Based on our understanding of each transaction, there appeared not to be significant extenuating circumstances that would warrant adjustments for most of the sales as the sales were arm's- lengths. Sale 1 was adjusted upward for occupancy at the time of sale.

Date of Sale

The comparable sales transactions occurred from November 2021 to July 2023. Upward adjustments of two percent annually are warranted due to the inherent increase in demand over time.

Physical Adjustments

After adjusting for all economic/transaction related differences, the appraiser analyzes the physical attributes of each comparable compared to the subject property. For adjustment purposes, only those physical differences that impact the price / value of a property are considered. Adjustment parameters include the building's age and condition, the site's location, building size, building architecture / design, density / land-to-building ratio, topography, and any additional amenities included in the property.

Building Age / Condition

The age and condition of a property at the time of sale affects the unit price; therefore, older buildings generally require an upward adjustment in comparison to the subject, while newer buildings would warrant a downward adjustment. The physical ages of the comparable buildings ranged from 19 to 30 years, while the subject property was constructed 63 years ago with multiple additions. Therefore, most of the comparable sales required downward adjustments.

Site Location

Location encompasses a number of issues, including locations within different sub-market areas, density, the character / condition of surrounding development, corner versus interior location, access, and visibility. Therefore, properties in a location with good access and exposure are considered superior to properties in less accessible locations. The location, and hence, demand and appeal for these types of facilities, can also be influenced by surrounding land use patterns, competing properties, and neighborhood influences (such as being located on the outer perimeter of a regional mall). A superior location will be reflected in increased lease rates, and hence, an increased net operating income per square foot.

Building Size

With respect to size, as the property increases in size the sales price per square foot typically decreases, with all other factors remaining equal. This is due to the diminishing marginal returns associated with each additional square foot added. The subject property contains 45,295 square feet of gross building area, while the comparable sales range in size from 15,280 to 35,491 square feet. As smaller buildings generally sell for a higher price per square foot a downward adjustment is required to compare to the subject property, while larger buildings require an upward adjustment. Although, a larger office building with a greater number of tenants will be more management intensive and sensitive to market fluctuations and potential vacancy and credit loss risk. This is also a function of the office building's relative market share. However, in a larger metropolitan market, a larger office building is less sensitive to minor fluctuations in supply and demand characteristics as compared to an inferior product in a secondary market. Once again, the income-producing potential appears to be the main determinant of the price paid for each property.

Building Architecture / Design

The type of construction and the design are factors that can affect the appeal and marketability of an office building. Buildings with a tilt-up, pre-cast concrete and steel frame will typically have a higher cost per unit. Assuming no forms of functional or economic obsolescence, this superior construction quality appears to generally be "recapturable" in the sale of these types of buildings, as compared to a generally lower cost steel frame / metal panel exterior building. Adjustments were made accordingly.

Density / Land-to-Building Ratio

Properties with a higher land to building ratio are considered superior, while properties with a lower land to building ratio are considered inferior as they have limited ability for future development or expansion unless adjacent lands are acquired. Typically, suburban office buildings have a higher land to building ratio than central business district office buildings which cover a majority of the site. The subject property has a land to building ratio of 2.47:1. Those properties with significantly lower land to building ratios than the subject are considered inferior, while those with higher ratios are considered superior.

Parking

The presence or absence of parking is considered as buildings that offer underground parking or attached / detached garages are considered superior to buildings which only offer surface parking. The subject property has surface and covered parking.

Topography

Topography adjustments include considerations for sites that have excessive site preparation costs, unusable areas, or appealing aesthetics such as a pleasing view. No adjustments were needed in this category as the comparable sites' topography was similar to the subject site's topography.

Amenities

Adjustments are also considered for sprinkler systems, air conditioning, ceiling heights, overall quality of construction, and finished basement space. The presence of these amenities will typically allow for greater marketability and appeal of these types of properties. It should be noted that consideration has been given to the fact that a disproportionate ratio of these amenities, such as office buildout, excessive ceiling heights, and unique built-in amenities, can result in functional and/or economic obsolescence. Most of sale comparables were adjusted upward as the subject facility has basement storage.

SALES COMPARISON APPROACH CONCLUSION

The estimate of market value for the subject building through the sales comparison approach is supported from recent sales of like-kind office buildings, similar in character to the property use represented by the subject's improvements. The original sales price per square foot of gross building area for the comparable properties ranged from a low of $82 to a high of $134 (rounded), indicative of the varying levels of rental rates and effective age and condition of the comparable sales. The following page contains a summary of the adjustments considered.

"AS IS' CONDITION"

After considering all factors of adjustment and, a unit value of $80 per square foot is indicated:

Subject's Estimated Value - "As Is"				
45,295	Sq Ft @	**$80**	per Sq Ft =	**$3,623,600**
			Total (Rounded)	**$3,620,000**

COMPARABLE IMPROVED SALES ADJUSTMENT GRID

The Salvation Army Facility 3030 Darbo Drive, Madison, WI					
Sale #	**1**	**2**	**3**	**4**	
Sale Price per Sq Ft (GBA)	**$89**	**$82**	**$134**	**$122**	
Sale Characteristics:					
Property Rights	0%	0%	0%	0%	
Financing	0%	0%	0%	0%	
Conditions of Sale	10%	0%	0%	5%	
Date of Sale	4%	6%	4%	8%	
Total Sale Adjustments:	**14%**	**6%**	**4%**	**13%**	
Adjusted Price per Sq Ft	**$101**	**$87**	**$139**	**$138**	
Physical Characteristics:					
Building Age / Condition	-10%	-10%	-20%	-20%	
Location	-5%	-5%	-5%	-5%	
Building Size	0%	0%	0%	0%	
Building Architecture / Design	-10%	-10%	-10%	-10%	
Density/Land-to-Building Ratio	-5%	-5%	-5%	-5%	-5%
Parking	0%	0%	0%	0%	
Topography	0%	0%	0%	0%	
Amenities	5%	5%	5%	5%	
Total Physical Adjustments	**-25%**	**-25%**	**-35%**	**-35%**	
Final Adjusted Price per Sq Ft	**$76**	**$65**	**$90**	**$90**	
Total Adjustment %	**-15%**	**-21%**	**-32%**	**-27%**	

Unit Values	Unadjusted	Adjusted	Subject's Estimated Value - "As Is"				
Mean per Sq Ft	$106	$80	**45,295**	Sq Ft @	**$80**	per Sq Ft =	**$3,623,600**
Median per Sq Ft	$105	$83				**Total (Rounded)**	**$3,620,000**

SECTION IX: INCOME CAPITALIZATION APPROACH

Income Capitalization Approach

The "Income Capitalization Approach" is defined in *The Appraisal of Real Estate*, 15th Edition (sponsored by the Appraisal Institute) as:

> *Approach through which an appraiser derives a value indication for income-producing property by converting anticipated benefits, i.e. cash flows and reversions, into property value. This conversion can be accomplished in two ways: One-year's income expectancy or an annual average of several years' income expectancies may be capitalized at a market-derived capitalization rate or a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment; secondly, the annual cash flows may be discounted for the holding period and the reversion at a specified yield rate.*

Office buildings such as the subject property can generally be classified as owner-occupied real estate or income-producing real estate. Income-producing real estate is typically developed, owned, and operated with the objective of creating value by renting space to users who will pay rental rates high enough to cover all operating expenses, fixed expenses, and a profit on, as well as a return of, the original investment. Therefore, the value of income-producing real estate will typically be determined by the amount of net income the property can be expected to generate, as well as the rates of return on alternative investments available to potential buyers. An analysis of the income-generating characteristics of the subject property and how they impact the net income available for providing a return on, and a return of, the original investment is typically considered paramount to potential buyers. Therefore, the income capitalization approach will serve as one of the primary indicators of market value for the subject property.

The income capitalization approach will be developed to estimate the value of the property based upon its income producing potential. Consideration was based upon the market rental rates, historic and projected vacancy rates, historic and projected operating income and expenses, and market-derived capitalization rates.

We have developed the estimate of value in the Income Capitalization Approach with a static cash flow analysis. The direct capitalization method is appropriate in the valuation of the subject property due to the anticipated stability of rental rates (in a leasing scenario). These factors are easily modeled in a stabilized year to produce a reliable indication of value. The direct capitalization technique consists of making appropriate income and expense assumptions based on historic indicators and market terms, generating a stabilized income statement, and choosing a capitalization rate reflective of investor expectations to convert the cash flow estimate into an indication of value.

In developing this approach, the appraiser analyzed:

- The subject's current and proposed lease rates
- Market rental rates determined via a survey of comparable rental properties
- Projected vacancy and collection losses
- The subject's projected operating expenses and industry survey data on typical expenses
- Capitalization rates via comparable sales and national survey data

Income Analysis

The Office Market Analysis section of this report discussed office market conditions and specifically, considered and analyzed the competitive market position of the subject as regards attainable rental rates which could be realized, potential absorption, and tenant improvement costs which would be necessary to sustain and attract prospective tenants. The office lease rates in the subject's market area range from $11.50 to $12.00 per square foot on NNN terms, $15.25 to $20.00 per square foot on gross terms, and one comparable at $13.00 to $14.00 on gross+ terms, varying primarily based on size and location. The warehouse lease rates range from $7.00 to $7.50 per square foot on NNN terms and $9.00 to $9.75 per square foot on gross+ terms, varying primarily based on size and location.

As the facility is owner-occupied, the interest appraised includes the Fee Simple estate only. Therefore, the Market Value of the Fee Simple interest has been estimated based upon market lease terms. We have estimated blended market lease rates based upon the following allocations:

Market Rent Calculations				
1st Fl. Office	15,901	@	$11.00	$174,910
1st Fl. Office	6,152	@	$13.75	$84,594
Gymnasium	10,295	@	$8.25	$84,935
Office - LL	6,152	@	$6.88	$42,297
Blended	38,501		$10.04	$386,737

***Based upon Net Rentable Area (85% efficiency ratio)**

The annual gross potential income is estimated to be $386,737 in the Fee Simple condition based upon our market lease rates which will be utilized within our Static Cash Flow Analysis. The following chart indicates the estimate of gross potential income for the subject property based upon the market lease rates:

The Salvation Army Facility
3030 Darbo Drive, Madison, WI

Suite # / Tenant Space	Tenant	Terms	Esc.	Lease Suite (SF)	Market Lease Rates		
					Per SF	Monthly	Annual
1st Fl. Office	Owner-Occ	NNN	TBD	15,901	$11.00	$14,576	$174,910
1st Fl. Office	Owner-Occ	NNN	TBD	6,152	$13.75	$7,050	$84,594
1st Fl. Gymnasium	Owner-Occ	NNN	TBD	10,295	$8.25	$7,078	$84,935
LL Office	Owner-Occ	NNN	TBD	6,152	$6.88	$3,525	$42,297
TOTALS				**38,501**	**$10.04**	**$32,228**	**$386,737**

Vacancy Analysis

A vacancy and collection loss allowance of 8% has been projected. These types of allowances for vacancy and collection loss are considered to be representative of local market parameters for these types of properties, and gives credence to the historical occupancy levels at the similar properties within the subject area. Due to the overall age, condition and location, and the leases in place, an 8% vacancy and collection loss factor is considered to be reasonable for this facility.

Effective Gross Income

After considering lease rates for the subject and deducting the estimated vacancy and collection loss, the effective gross income is indicated at $355,798.

Operating Expense Assumptions

A fair representation of the most reasonable operating expenses for the subject property was obtained from industry survey data (such as BOMA, the Building Owners and Management Association's Experience Exchange Report), comparable local office properties, and projected operating data and projections by the owner. We have also discussed typical expense ratios with local brokers and owners to test the "reasonableness" of our projections. The subject's income and expense history is contained in the following chart.

The subject's lease will be based on net terms; in net term scenarios the tenant is responsible for all operating expenses. Therefore, the general expense categories utilized in the static cash flow analyses are as follows:

- Repairs (net to structural) have been allocated at $0.50 per square foot of gross building area
- Professional fees have been allocated at 2.0 percent of the effective gross income
- Miscellaneous expenses have been estimated at 1.0 percent of the effective gross income
- Reserves for replacement are allocated at $0.25 per square foot of gross building area

Total Operating Expenses

The total operating expenses have been estimated at $44,645, or 12.55 percent of the effective income. Under a net lease arrangement, ratios typically range from 5 to 25 percent; under gross plus utility scenarios ratios typically are approximately 25 to 40 percent, dependent upon expenditures associated with structural repairs, leasing commissions, and legal/administrative expenses.

Net Operating Income

After subtracting the projected operating expenses from the effective gross income, a net operating income of $311,153. This allocation is within market parameters for NNN lease rates as discussed previously (when consideration is given to a 5 to 25 percent deduction for typical operating expenses).

Selection of the Capitalization Rate

The appraiser must select an Overall (or Going In) Capitalization Rate for the analysis. Capitalization rates are typically extracted from three sources: the Band of Investments, survey data from reliable industry sources, and extracted rates from comparable sales. The following pages will provide additional explanations of each source utilized.

Band of Investment

The appraiser has developed an overall capitalization rate based upon typical conventional financing, as well as reviewing capitalization rates indicated through survey publications. Comparable sales data also provided additional capitalization rate support for the Band of Investment and the survey data.

A survey of lenders has indicated that commercial mortgages more than $1 million are available at 7.00% to 8.00%. The wide variance in mortgage rates is due to the availability of monies and the various financing alternatives currently available. The typical amortization period is 20 to 30 years with a 70% to 80% loan to value ratio, and a 3 to 10 year call. A mortgage rate of 6.50% will be applied as within the most commonly quoted range for this type of property, with a 25-year amortization and a 3-year call.

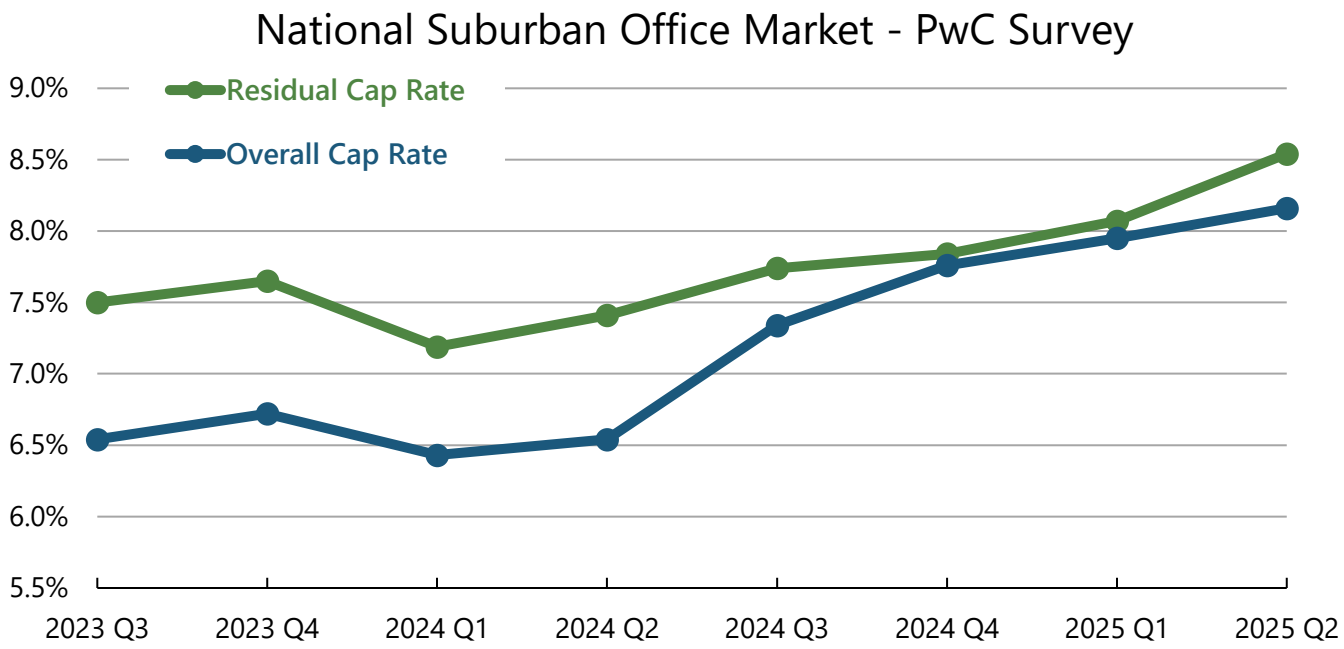
The Equity Rate (Equity Dividend Rate) was estimated by surveying short-term capital money market instruments (typically of one-year duration or less), as well as free and clear equity capitalization rates. This is typically a good indication of the equity return that investors are demanding. Free and clear equity capitalization rates are reportedly in the range of 5.00% to 11.00%. An additional risk premium would be added to the short-term capital money market instrument rates, due to the lack of liquidity of real estate and the uncertainty of the future cash flows associated with an income producing property. The equity yield rate for the subject was estimated at 10.00%.

Capitalization Rate Worksheet *Conventional Financing*					
Input Variables					
Mortgage Interest Rate	6.50%				
Loan Terms	25	Years			
Loan To Value Ratio	75%				
Debt Coverage Ratio	1.30				
Equity Dividend Rate	10.00%				
Band of Investment					
Mortgage Constant		Loan Ratio		Mortgage Component	
0.0810249	X	75%	=	0.060769	
Equity Dividend Rate		Equity Ratio		Equity Component	
10%	X	25%	=	0.025	
		Capitalization Rate		**8.58%**	
Debt Coverage Ratio Analysis					
Debt Coverage Ratio		LTV		Mortgage Constant	
1.30	X	75%	X	0.0810249	= 0.078999
		Capitalization Rate		**7.90%**	

PwC Survey Data

The PriceWaterhouseCooper (PwC) Real Estate Investor Survey reports quarterly on investment activity in major markets across the country. For this appraisal, we have examined the overall (going-in) and terminal (residual) capitalization rate data reported by the survey for the national suburban office market. The following table displays the range of rates reported during the Second Quarter 2025 survey, categorized by respondents.

The range of all **overall** capitalization rates reported was 5.00 to 10.00 percent, with an average of 8.16 percent for the most recent survey results. The range of all **terminal** capitalization rates reported was 6.25 percent to 10.00 percent, with an average of 8.54 percent. The overall capitalization rates for the national medical office buildings range from 5.50 to 10.00 percent, with an average of 7.20 percent. The following graph displays historical average rates as reported by the PwC survey each quarter during the past three years.



Comparable Sales

The best indication for a capitalization rate, for comparable purposes, are from existing sales within the market area of the subject property. Although the sale transactions are available through public records, the income and expenses which these properties generate are considered to be confidential and not public information, though the appraisers attempt to obtain data pertaining to each comparable sale in order to extract the capitalization rate. Additional support is obtained through discussions with area real estate investors and professionals.

Capitalization rates were not available for any of the sales utilized within the Sales Comparison Approach. Comparable sales with higher capitalization rates and lower gross rent multipliers represent older properties that may have had high vacancies, deferred maintenance, or inferior locations. Extracted capitalization rates from additional sales within the subject's market area range from 5.71% to 11.00%, which are contained within the following chart. Comparable sales with higher capitalization rates are older properties that may have had high vacancies, deferred maintenance, or inferior locations.

Additional Office Building Capitalization Rates

#	Comparable Sale	Sale Date	GBA (Sq Ft)	Total Sale Price	Price PSF Total	Cap Rate	Year Built
	34 Schoeder Square Madison, WI	10/22/2024	54,276	$5,100,000	$93.96	9.86%	2008
	1211 Dolphin Court Waukesha, WI	7/10/2024	21,500	$4,900,000	$227.91	7.50%	2016
	10050 South 27 Street Oak Creek, WI	1/25/2024	44,160	$6,660,000	$150.82	7.25%	2008
	890 Spruce Street Baldwin, WI	7/31/2024	17,000	$2,280,000	$134.12	8.70%	2001
	1703 South Oneida Street Appleton, WI	11/4/2024	10,500	$1,550,000	$147.62	8.50%	2008
	8831 West Greenfield Avenue West Allis, WI	9/1/2023	6,840	$345,000	$50.44	11.00%	1972
	161 S 1st Street Milwaukee, WI	7/27/2023	22,024	$3,100,000	$140.76	10.69%	2007
	116 South Adams Street Green Bay, WI	6/22/2023	31,314	$2,700,000	$86.22	7.50%	1925
	2945 Triverton Parkway Fitchburg, WI	5/22/2023	17,004	$2,650,000	$155.85	7.10%	1995
	6417 Normandy Lane Madison, WI	Active	18,563	$1,690,000	$91.04	8.95%	1994
	5007 Howell Avenue Milwaukee, WI	Active	60,000	$8,500,000	$141.67	8.35%	1990
	1325 Walnut Ridge Drive Hartland, WI	Active	30,256	$4,000,000	$132.21	8.00%	1999
	20875 Crossroads Circle Waukesha, WI	Active	49,011	$3,900,000	$79.57	8.18%	1988
	150 N Sunny Slope Road Brookfield, WI	Active	51,432	$2,600,000	$50.55	8.23%	1979
	20300 Water Tower Blvd Brookfield, WI	Active	44,052	$3,800,000	$86.26	8.25%	1999
	155 South Executive Drive Brookfield, WI	Active	36,960	$2,300,000	$62.23	5.71%	1990
		Mean:	**32,181**	**$3,504,688**	**$114.45**	**8.36%**	
		Median:	**30,785**	**$2,900,000**	**$113.08**	**8.24%**	

Many of the capitalization rates within the market do not include an allocation for reserves within the total expenses. There are two common methods of capitalization in regards to the treatment of reserves: 1) capitalizing the net operating income after a deduction for reserves, and 2) capitalizing the net operating income before (excluding) reserves. Method 2 would typically indicate a higher capitalization rate than method 1.

Capitalization Rate Conclusion

The previous sources indicate a range of overall capitalization rates as follows:

Band of Investment	7.90 to 8.58 percent
Survey Data	5.00 to 10.00 percent
Comparable Sales	5.71 to 11.00 percent

Based upon this data, an overall capitalization rate of 8.75 percent is considered reasonable for the subject.

Income Capitalization Approach Conclusion

The projected cash flows resulting from the income and expense assumptions discussed earlier are processed into an indication of value for the subject in the projected cash flows, presented on the following page.

Static Cash Flow Analysis

Capitalizing the projected stabilized net operating income of $311,153 at 8.75% indicates a market value of **$3,560,000** (rounded).

The Salvation Army Facility 3030 Darbo Drive, Madison, WI		
Total Potential Gross Income		$386,737
Less: Vacancy & Collection Loss		8.00%
Effective Gross Income		**$355,798**
Variable / Operating Expenses:		
Repairs / Maintenance (Net to Structure)		$22,648
Administrative Expenses:		
Management Fee		$0
Professional Fees		$7,116
Leasing Commissions		$0
Miscellaneous		$3,558
Capital Expenses:		
Tenant Improvements		$0
Reserves		$11,324
TOTAL EXPENSES		**$44,645**
Expense Ratio		*12.55%*
Expenses per Square Foot		*$0.99*
NET OPERATING INCOME		**$311,153**
NOI Per Square Foot		*$6.87*
Going-In Cap. Rate	8.75%	
Final Value "As Is"		$3,556,033
ROUNDED		**$3,560,000**
Per Sq Ft of Gross Building Area	*45,295*	*$79*
Per Sq Ft of Rentable Building Area	*38,501*	*$92*

SECTION X: RECONCILIATION AND FINAL VALUE CONCLUSIONS

Reconciliation and Final Value Conclusions

Reconciliation is the portion of an appraisal where the various approaches to value are weighed to judge their reliability with respect to valuing the subject. Emphasis is usually placed on the approach, or approaches, that seem to best estimate the market value of the subject property. The values for the subject indicated by our valuation analysis are as follows:

The Salvation Army Facility 3030 Darbo Drive, Madison, WI	
Fee Simple Market Value as of	"As Is" 5/28/2025
Cost Approach	
Building Improvements including Land	Not Developed
Sales Comparison Approach	
Building Improvements including Land	$3,620,000
Income Capitalization Approach	
Building Improvements including Land	$3,560,000
FINAL RECONCILED VALUE	
Building Improvements including Land	**$3,600,000**
Financial Indicators - Fee Simple	
Market Value per Sq Ft	$79.48
Effective Gross Income per Sq Ft	$7.86
Net Operating Income per Sq Ft	$6.87
Expense Ratio	12.55%
Capitalization Rate	8.75%

In this appraisal only the sales comparison and income capitalization approaches to value have been developed. Primary weight was placed upon the Income Capitalization Approach with secondary weight upon the Sales Comparison Approach. The value of office buildings is based upon their income-producing potential when leased and supported by sales of similar properties within the market area.

The **cost approach** reflects the value of the property based upon its replacement cost, less depreciation, with an additional allowance for the underlying land value. Given the older age of the subject property, the limited vacant land sales in the subject area, and the subjectivity of depreciation, this approach was not considered to provide a credible value estimate and therefore was not utilized.

The **sales comparison approach** is developed to estimate the value of the property based upon a review of comparable sales. These comparables are considered to provide an indication of value for a similar product type. Relevant economic indicators were extracted from this approach to estimate the market value, and a range of values was developed due to the varying investor attitudes relative to owner-occupancy versus investment / leasing ownership. As the purchases of these types of properties are primarily based upon their income-producing potential, this approach will be used as a "check" against the income capitalization approach. The sales comparison approach has been developed to estimate the Market Value of the subject property in "As Is" condition.

The **income capitalization approach** is developed to estimate the market value of the property based upon its income producing potential. Consideration is given to a survey of market lease rates and the subject's lease rates; average vacancy rates within the market; the subject's projected operating income and expenses and industry survey data for average operating expenses; and capitalization and discount rates derived from comparable sales and survey data. This data will be used to estimate the Market Value of the subject property in "As Is" condition via a Static Cash Flow (SCF) analysis.

This report and the value estimate contained within are subject to the Assumptions and Limiting Conditions contained herein.

SECTION XI: LIMITING CONDITIONS AND CERTIFICATION

Assumptions and Limiting Conditions

This appraisal report has been made with the following general assumptions and limiting conditions.

1. No investigation has been made of, and no responsibility is assumed for, the legal description or for legal matters, including title or encumbrances. Title to the property is assumed to be good and marketable unless otherwise stated. The property is further assumed to be free and clear of any or all liens, easements, or encumbrances unless otherwise stated.
2. Information furnished by others, upon which all or portions of this report are based, is believed to be reliable, but has not been verified in all cases. No warranty is given as to the accuracy of such information.
3. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government of private entity of organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
4. Full compliance with all applicable federal, state, and local zoning, use, environmental and similar laws and regulations is assumed, unless otherwise stated.
5. No responsibility is taken for changes in market conditions, and no obligation is assumed to revise this report to reflect events or conditions, which occur subsequent to the date hereof.
6. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described at that there is no encroachment or trespass unless otherwise stated in this report.
7. Responsible ownership and competent property management are assumed.
8. The allocation, if any, in this report of the total valuation between components of the property applies only to the program of utilization stated in this report. The separate values for any components may not be applicable for any other purpose and must not be used in conjunction with any other appraisal.
9. Maps or sketches, if included in this report, are only to assist the reader in visualizing the property and no responsibility is assumed for their accuracy. No independent surveys were conducted.
10. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
11. No soil analysis or geological studies were ordered or made in conjunction with this report, nor was an investigation made of any water, oil, gas, coal, or other subsurface mineral and use rights or conditions.
12. Cost estimates provided herein in the cost approach (if applicable) to value section are based on typical average replacement costs for similar utility of buildings. These costs are used only for the purpose of appraisal analysis. They should not be misconstrued as an exact cost to complete or rebuild this project. This is an appraisal estimate only.

14. The appraisal is made for valuation purposes only. It is not intended nor to be construed to be an engineering report. The appraiser(s) is (are) not qualified structural engineers, therefore are not qualified to judge the structural integrity of the improvements. Consequently, no warranty, representations or liability are assumed for the structural soundness, quality, adequacy or capacities of said improvements and utility services, including HVAC systems. Should there be any questions concerning same, it is strongly recommended that an engineering/construction inspection be obtained. The value estimate(s) is predicated on the assumption that all improvements, equipment and building services are structurally sound and suffer no concealed or latent defects or inadequacies.

15. Neither Meicher Real Estate LLC nor any individuals signing or associated with this report shall be required by reason of this report to give testimony or appear in court or other legal proceedings unless specific arrangements therefore have been previously made.

16. This report has been made only for the purpose stated and shall not be used for any other purpose. Neither this report nor any portions thereof (including without limitation any conclusions as to value, the identity of Meicher Real Estate LLC or any individuals signing or associated with this report, or the professional associations for organizations with which they are affiliated) shall be disseminated to third parties by any means without the prior written consent and approval of Meicher Real Estate LLC. The report may not be used for SEC filings.

17. The date of value to which the conclusion and opinion expressed in this report applies will be set forth in the letter of transmittal. The value opinion is based on the purchasing power of the United States' dollar as of the effective date of the value estimate(s).

18. Unless otherwise stated in this report, I (we) did not observe the existence of hazardous material, which may or may not be present on the property. I (we) have no knowledge of the existence of such materials on, or in, the property; however, we are not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on, or in, the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

19. If the property being appraised is part of a larger tract, any values reported relate only to the portion being considered and should not be misconstrued as applying with equal validity to other portions of the larger tract.

20. Any projections of market or future rents, expenses, net operating income, mortgage terms, capital outlays, inflation, capitalization rates, or discount rates, are intended solely for analytical purposes and are not to be misconstrued as predictions by Meicher Real Estate LLC. They represent the judgment of the authors only as to the assumptions typically used by the market participants, and their accuracy is in no way guaranteed.

21. Unless otherwise stated, the values presented in this report exclude furniture, fixtures, and equipment (FF&E) and machinery and equipment (M&E) present (or to be present) in the property.

22. If improvements or renovations are proposed, this report specifically assumes completion within the time frame outlined herein. Should there be any subsequent changes or delays to the construction or renovations schedule, this may or may not materially alter the value conclusions presented. As we cannot be held responsible for these circumstances, if they do occur, we reserve the right to review any changes and may make the necessary modifications to the analysis at an additional charge.

23. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible non-compliance with the requirements of ADA in estimating the value of the property.

24. Unless otherwise agreed upon in writing (via contract or engagement for services), the client(s) upon accepting the appraisal, shall indemnify and hold harmless Meicher Real Estate, LLC and/or its individual staff members from and against all damages, expenses, claims, demands and costs; including legal fees and/or court costs.

25. Unless otherwise agreed upon in writing (via contract or engagement for services), the maximum damages recoverable from Meicher Real Estate LLC relative to this engagement shall be the amount of the moneys actually collected by Meicher Real Estate LLC for this assignment and under no circumstances shall any claim for consequential damages be made. In addition, there is no accountability or liability to any third party.

26. The by-law's and Regulations of the Appraisal Institute require each member and candidate to control the use and distribution of each appraisal signed by such member or candidate. Therefore, except as hereinafter provided, the party for whom this appraisal was prepared may distribute copies of this appraisal, in its entirety, to such third parties as may be selected by the party for whom this appraisal was completed, but shall not be given to third parties without the prior written consent of the signatory of this appraisal. Further, neither all nor any part of this appraisal shall be disseminated to the general public by the use of advertising media, public relations media, news media, sales media or other media for public communications without the prior written consent of the signatory of this appraisal.

27. Any controversy or claim arising out of or relating to this appraisal report or the services provided by Meicher Real Estate LLC pursuant thereto (including any such matter involving any parent, subsidiary, affiliate, successor in interest, assignee, or agent of the Company or of Meicher Real Estate LLC) shall be submitted first to voluntary mediation, and if mediation is not successful, then to binding arbitration, in accordance with the dispute resolution procedures set forth in Annex 1 hereto. Judgment on any arbitration award may be entered in any court having proper jurisdiction.

28. No recipient shall be relieved of the effect of, or its obligations under, any assumption or limiting condition hereof without the express written consent of Meicher Real Estate LLC.

29. Acceptance of and/or use of this report constitutes acceptance of all of the foregoing Assumptions and Limiting Conditions.

Privacy Notice

Pursuant to the Gramm-Leach-Bliley Act of 1999, effective July 1, 2001, Appraisers, along with all providers of personal financial services are now required by federal law to inform their clients of the policies of the firm with regard to the privacy of client nonpublic personal information. As professionals, we understand that your privacy is very important to you are pleased to provide you with this information.

Types of Nonpublic Personal Information We Collect

In the course of performing appraisals, we may collect what is known as "nonpublic personal information" about you or your Client. This information is used to facilitate the services that we provide to you and may include the information provided to us by you directly or received by us from others with your authorization.

Parties to Whom We Disclose Information

We do not disclose any nonpublic personal information obtained in the course of our engagement with our clients to nonaffiliated third parties, except as necessary or as required by law. By way of example, a necessary disclosure would be to our employees, and in certain situations, to unrelated third party consultants who need to know that information to assist us in provided appraisal services to you. All of our employees and any third party consultants we employ are informed that any information they see as part of an appraisal assignment is to be maintained in strict confidence within the firm.

A discloser required by law would be a disclosure by us that is ordered by a court of competent jurisdiction with regard to a legal action to which you are a party.

Confidentiality and Security

We will retain records relating to professional services that we have provided to you for a reasonable time so that we are better able assist you with your needs. In order to protect you nonpublic personal information from unauthorized access by third parties, we maintain physical, electronic and procedural safeguards that comply with our professional standards to insure the security and integrity of your information. Please feel free to call us at any time if you have any questions about the confidentiality of the information that you provide to us.

Certification

I CERTIFY THAT, TO THE BEST OF MY KNOWLEDGE AND BELIEF...

1. The statements of fact contained in this report are true and correct and I have not knowingly withheld any significant information
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and assumptions and are my personal, unbiased professional analyses, opinions, and conclusions
3. I have no interest, present or prospective, in the property that is the subject of this report or to the parties involved
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment
5. I have previously appraised the subject property within the last three years
6. My engagement in this assignment was not contingent upon developing or reporting predetermined results
7. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of the appraisal
8. My analyses, opinions, and conclusions that were developed and this report that has been prepared are in conformity with the requirements of the Code of Professional Ethics and the Supplemental Standards of Professional Practice of The Appraisal Institute and the Uniform Standards of Professional Appraisal Practice
9. The use of this report is subject to the requirements of The Appraisal Institute relating to review by its duly authorized representatives
10. As of the date of this report, I have completed the requirements of the continuing education program of the State of Wisconsin
11. I made a physical inspection of the subject property on May 28, 2025
12. William Mueller, an Appraiser Trainee for this firm, provided significant professional assistance
13. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or The Appraisal Institute or the MAI or RM designations) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without the prior written consent and approval of the undersigned
14. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan

Kevin F. Meicher
Wisconsin Certified General Appraiser #758

William P. Mueller
Appraiser Trainee

SECTION XII: ADDENDUM

Engagement Letter

MEICHER
REAL ESTATE LLC
COMMERCIAL REAL ESTATE APPRAISAL SERVICES

May 19, 2025

Salvation Army of Dane County
Michael Sjogren, Major
Area Coordinator
3030 Darbo Drive
Madison, WI 53714
Email: Kristina.sjogren@usc.salvationarmy.org
Phone: 217-316-1656

RE: Engagement Letter for appraisal services of the Salvation Army Office Building located at 3030 Darbo Drive, Madison, Dane County, Wisconsin.

Dear Mr. Sjogren,

Pursuant to your request, we are pleased to submit an engagement letter for the appraisal of the Salvation Army Office Building located at 3030 Darbo Drive, Madison, Dane County, Wisconsin.

The appraisal services shall be prepared for Michael Sjogren, Major of Salvation Army of Dane County and is for the sole and exclusive use of Salvation Army of Dane County, and/or their affiliates. We request that you seek our written authorization before releasing the report to any party other than those referenced.

The purpose of the Appraisal Report will be for internal decision-making purposes. This appraisal will develop an "As Is" Market Value as of the date of inspection. The appraisal will be prepared in accordance with the Uniform Standards of Professional Appraisal Practice. The reports are subject to our Statement of Limiting Conditions and Appraiser Certifications which are attached to all appraisals prepared by this office.

The estimated completion date is projected to be within three to four weeks.

We will furnish you with an electronic copy of the Appraisal Report in PDF format, and paper copies if requested. Our fee for the appraisal will be [redacted] These charges include all out-of-pocket expenses. The following information is requested for the appraisal (any changes / revisions from 2023):

- Site plan
- Building floorplans
- Current rent roll
- Copies of leases and letters of intent
- Income & expense history – 5 years (building related only)
- Sales history – if any within the past 5 years
- Summary of mechanicals
- Summary of renovations / capital improvements
- Tax Parcel Number(s)
- Any other data in your files that may be relevant for valuation purposes

Additional consulting services, including testimony work, will be charged at an hourly rate of $250 for the additional time. The professional fees as indicated above are due upon completion of consulting services or delivery of the appraisal report.

We will proceed with the preparation of this consultation and/or appraisal upon receipt of a signed copy of this letter. If you have any questions about anything contained within this letter, please give us a call.

Sincerely,

Kevin F. Meicher
Meicher Real Estate

Accepted By:

Mr. Michael Sjogren, Major

5/22/25
Date

1480 Oak Opening Dr.
Stoughton, Wisconsin 53589

Phone: (608) 833-3176
Email: kevin@mreappraisal.com

Assessor's Information

FOR CURRENT CITY OF MADISON PROPERTY INFORMATION,
go to: City of Madison Assessors

Due to recent city of Madison software deployments, Access Dane may not be up to date with City of Madison property information.
City and County staff are working to resolve the data sharing issues as quickly as possible. This notice will be taken down once the issue is resolved.

Parcel Number - 251/0710-052-1005-1

Current

Parcel Parents

Summary Report

Parcel Summary

For parcel summary information (owner names, primary address, billing address), visit the City of Madison Assessor's website

Contact or visit the City of Madison Assessor's Office:

608-266-4531 | assessor@cityofmadison.com

210 Martin Luther King Jr Blvd. Room 103, Madison, WI 53703

Municipality Name	CITY OF MADISON
Parcel Description	CERTIFIED SURVEY MAP NO 7652 RECORDED IN DANE COUNTY REGISTER OF DEEDS IN VOL 40 PAGE 47 OF CERTIFIED SURVEYS EXCEPT THAT PART AS DESC IN PARCEL 1, TRANSPORATION PROJECT NO. 53W0348-4.01; LOT 2, EXCEPT THAT PART CONVEYED IN DOC 5424962 FOR NEW PUBLIC CITY STREET.

Show Municipal Contact Information

Assessment Detail

Less

« Newer Older »

Assessment Year	2024	2023
Valuation Classification	G2	G2
Assessment Acres	0.000	0
Land Value	$0.00	$0.00
Improved Value	$0.00	$0.00
Total Value	$0.00	$0.00
Average Assessment Ratio	99.230000	99.440000
Estimated Fair Market Value	$0	$0
Valuation Date		

Show Valuation Breakout

Zoning Information

For the most current and complete zoning information contact:
City of Madison Zoning | 608-266-4551

District Information

Type	State Code	Description
REGULAR SCHOOL	3269	MADISON METRO SCHOOL DIST
TECHNICAL COLLEGE	0400	MADISON TECH COLLEGE

Parcel Maps

DCiMap | Google Map | Bing Map

Tax Information

This Tax Information and Payment data comes directly from the City of Madison.
Please contact the City Treasurer's Office with questions, treasurer@cityofmadison.com or (608) 266-4771. Please click here to check the City of Madison's site for this parcel.

E-Statement | E-Bill | E-Receipt | Pay Taxes Online

« ‹ Newer Older › »

Tax Year 2024		
Assessed Land Value	**Assessed Improvement Value**	**Total Assessed Value**
$0.00	$0.00	$0.00
Taxes:		$0.00
Lottery Credit(-):		$0.00
First Dollar Credit(-):		$0.00
Specials(+):		$0.00
Amount:		$0.00

2024 Tax Info Details | Tax Payment History

Recorded Documents

No recorded documents found.

DocLink

DocLink is a feature that connects this property to recorded documents listed above. If you'd like to use DocLink, all you need to do is select a link in this section. There is a fee that will require either a credit card or user account. Click here for instructions.

NOTE: Searching by the documents listed above will only result in that recorded document. For a more comprehensive search, please try searching by legal description and/or Parcel Number: 0710-052-1005-1. Tapestry searches by PIN or legal description are more comprehensive back through approximately 1995.

PLEASE TURN OFF YOUR POP UP BLOCKER TO VIEW DOCLINK DOCUMENTS. If you're unsure how to do this, please contact your IT support staff for assistance. You will be unable to view any documents purchased if your pop up blocker is on.

Dane County Land Information Office

Access Dane is a product of
Dane County Land Information Council
© Copyright 2001
210 Martin Luther King Jr. Blvd
City-County Bldg. Room 116
Madison, WI 53703

City of Madison Property Information
Property Address: 3030 Darbo Dr
Parcel Number: 071005210051

Information current as of: 5/28/25 06:00AM

OWNER(S)

THE SALVATION ARMY

5550 PRAIRIE STONE PKWY
HOFFMAN ESTATES, IL 60192

REFUSE COLLECTION

District: 03B

SCHOOLS

District: Madison

PROPERTY VALUE

Assessment Year	Land	Improvements	Total
2024	$0	$0	$0
2025	$0	$0	$0

2024 TAX INFORMATION

Net Taxes:	$0.00
Special Assessment:	$0.00
Other:	$0.00
Total:	$0.00

PROPERTY INFORMATION

Property Type:	Commercial exempt	Property Class:	Exempt
Zoning:	CC-T	Lot Size:	112,060 sq ft
Frontage:	571 - Darbo Dr	Water Frontage:	NO
TIF District:	0	Assessment Area:	9914

RESIDENTIAL BUILDING INFORMATION

No building record is available online for this parcel. Please contact the Assessor's Office for additional information.

Property Information Questions?

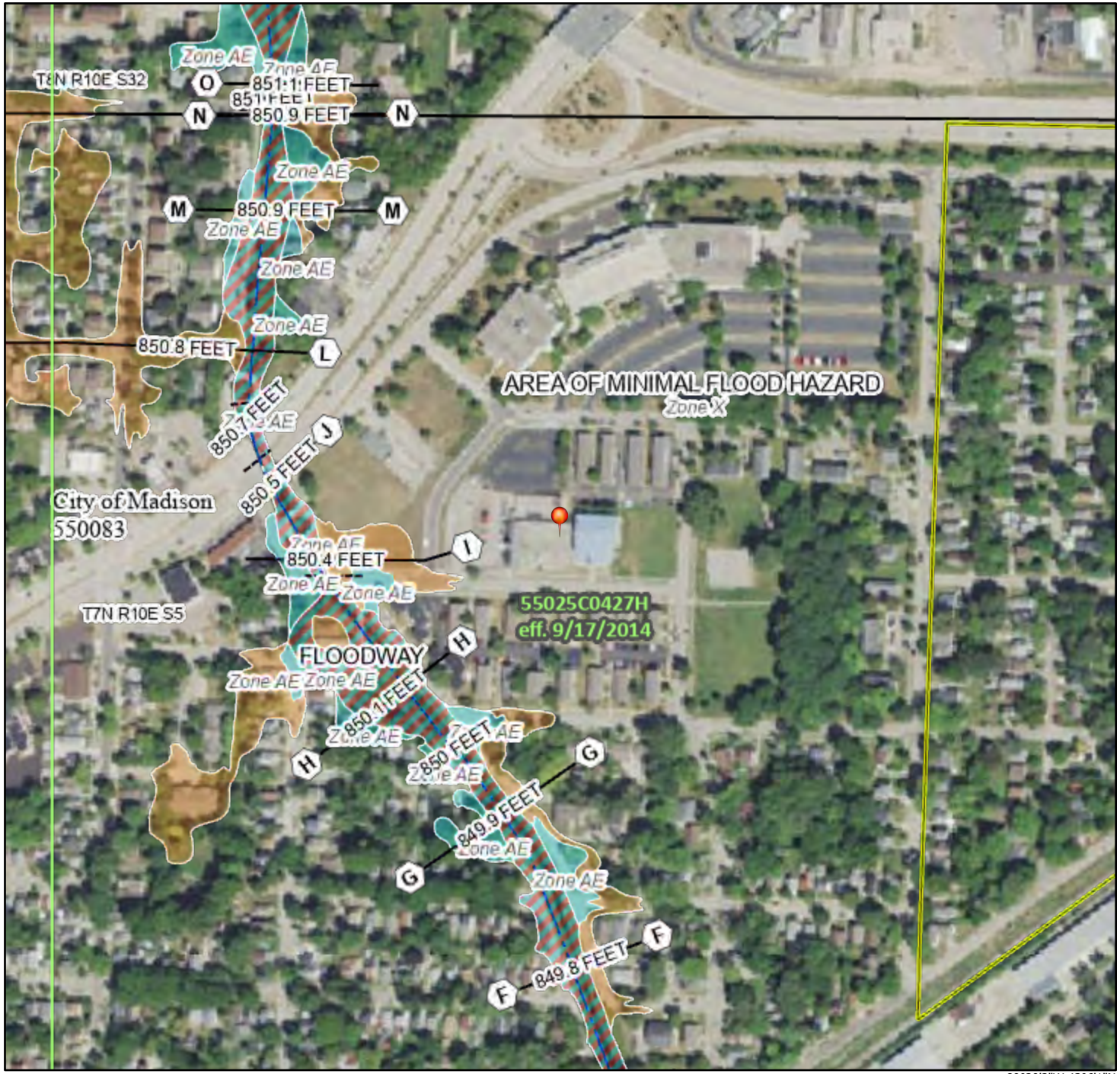
Assessor's Office
210 Martin Luther King, Jr. Boulevard, Room 101
Madison, Wisconsin 53703-3342
Phone: (608) 266-4531
Email: assessor@cityofmadison.com

Flood Map

National Flood Hazard Layer FIRMette

FEMA

89°20'39"W 43°6'27"N



89°20'2"W 43°6'1"N

0 250 500 1,000 1,500 2,000 Feet

1:6,000

Basemap Imagery Source: USGS National Map 2023

Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS
- Without Base Flood Elevation (BFE) *Zone A, V, A99*
- With BFE or Depth *Zone AE, AO, AH, VE, AR*
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD
- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile *Zone X*
- Future Conditions 1% Annual Chance Flood Hazard *Zone X*
- Area with Reduced Flood Risk due to Levee. See Notes. *Zone X*
- Area with Flood Risk due to Levee *Zone D*

OTHER AREAS
- NO SCREEN Area of Minimal Flood Hazard *Zone X*
- Effective LOMRs
- Area of Undetermined Flood Hazard *Zone D*

GENERAL STRUCTURES
- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES
- 20.2 Cross Sections with 1% Annual Chance
- 17.5 Water Surface Elevation
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS
- Digital Data Available
- No Digital Data Available
- Unmapped

N

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 7/11/2025 at 2:26 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

Appraiser Qualifications

NO. 758 - 10

EXPIRES: 12/14/2025

The State of Wisconsin
Department of Safety and Professional Services
REAL ESTATE APPRAISERS BOARD

Hereby certifies that

Kevin F Meicher

was granted a license to practice as a

APPRAISER, CERTIFIED GENERAL

(551)
in the State of Wisconsin in accordance with Wisconsin Law
on the 11th day of December in the year 1995.
The authority granted herein must be renewed each biennium by the granting authority.
In witness thereof, the State of Wisconsin
Real Estate Appraisers Board
has caused this certificate to be issued under
the seal of the Department of Safety and Professional Services

DSPS Secretary

This certificate was printed on the 14th day of December in the year 2023

APPRAISAL QUALIFICATIONS
OF
KEVIN F. MEICHER

Wisconsin Certified General Appraiser #758

MEICHER REAL ESTATE

Member / Owner
April 2001 to Present

Specializing in commercial real estate appraisal, brokerage and consulting, Meicher Real Estate, LLC consolidates the experience of individuals with diverse backgrounds and expertise. Specific services available include commercial real estate appraisal and consultation in conformity with USPAP and FIRREA; market and feasibility studies; business valuations; real estate brokerage; personal property and real property tax consultation; and expert witness testimony related to the services provided.

APPRAISAL EXPERTISE

Income Producing and Special Purpose Properties, Including (but not limited to) the Following:

- Apartment / Multi-Family Developments
- Lodging Facilities
- Special-Purpose Properties
- Retail Shopping Centers
- Subdivision and Condominium Developments (including retail, commercial, single and multi-family residential, and condominiums)
- Industrial / Warehouse / Production Facilities
- Senior Housing (Assisted Living, Adult Family Homes, Senior Apartments, CBRFs, RCACs)
- Office Buildings
- Corporate Headquarters Facilities
- Market Feasibility Studies

ADDITIONAL EXPERIENCE

President / Corporate Officer
Millennium Real Estate Group, Inc. (f/k/a MBM Associates, Inc.)
April 1995 – March 2001
Real estate appraisal, brokerage, and consulting company

Commercial Appraiser
Midwest Valuation Service, Inc. (f/k/a John P. Hill & Associates, Inc.)
March 1993 – August 1998
Commercial real estate appraisal

Other Real Estate Experience
Investment
Property Management
Financing
New Construction Coordination

CERTIFICATIONS AND PROFESSIONAL AFFILIATIONS

- Wisconsin Certified General Appraiser #758 - December, 1995
- Wisconsin Real Estate Broker's License - March, 1995
- Wisconsin Real Estate Salespersons License - May, 1993
- Associate Member of the Appraisal Institute – MAI Candidate
- Member of the Greater Madison Area Board of Realtors
- Member of the South Central Wisconsin Multiple Listing Service

EDUCATION

University of Wisconsin – Whitewater

B.B.A. Business - Finance (Real Estate Emphasis)

Areas of Study:

- Real Estate Development
- Real Estate Investments
- Real Estate
- Estates and Trusts

Appraisal Institute

Courses Completed:

- 310 - Capitalization Theory and Techniques
- 410 - Standards of Professional Practice, Part A
- 420 - Standards of Professional Practice, Part B
- 510 - Advanced Income Capitalization
- 520 - Highest & Best Use and Market Analysis
- 530 - Advanced Sales Comparison & Cost Approaches

Continuing Education

Completed Yearly for License Renewals

Courses include, but are not limited to, the following:

- USPAP
- Business Practices and Ethics
- Condominiums, Co-ops, and PUDs
- Analyzing Operating Expenses
- Supervising Appraisal Trainees
- Developing and Growing an Appraisal Practice
- Technology for Today's Appraiser
- Subdivision Analysis

REPRESENTATIVE CLIENTS / REFERENCES

Banks & Lending Companies

- Bank Mutual
- Bank of Mauston
- Bank of New Glarus
- Bank of Prairie Du Sac
- Bank of Sun Prairie
- Baraboo National Bank
- BMO Harris Bank
- Capitol Bank
- DMB Community Bank
- Farmers & Merchants Bank
- First Business Bank
- First Citizens Bank
- First National Bank & Trust
- Johnson Bank, NA
- McFarland State Bank
- Monona Bank
- National Mutual Benefit
- Oak Bank
- Old National Bank
- Oregon Community Bank
- Park Bank
- River Valley Bank
- Settlers Bank
- Starion Financial
- State Bank of Cross Plains
- Summit Credit Union
- TCF National
- Wintrust / Town Bank
- US Bank
- Waunakee Community Bank
- Westbury Bank
- Wisconsin Bank & Trust

Investors, Developers, Attorneys & Accountants

- Alexander Company
- Augusta Realty
- Axley Brynelson
- Baker Tilly
- City of Fitchburg
- City of Janesville
- City of Stoughton
- Coldwell Banker / Sveum Realtors
- Contemporary Real Estate
- DeWitt Ross & Stevens
- Elderspan
- Encore Construction
- Forward Development Group
- Forward Management
- Gallina Company
- Galway Companies
- Gorman & Company Inc
- Gregg Shimanksi Realty
- Haen Real Estate
- Heartland Properties
- Horizon Development
- Hovde Properties
- Intercon Construction
- Johnson Properties
- JSM Properties
- Knupp & Watson
- Krupp Construction
- M & M Real Estate
- McAllen Properties
- Meriter Hospitals
- Murphy and Desmond, S.C.
- North American Realty Advisors
- Promega Corp.
- Reinhart Boerner Van Deuren s.c.
- Rouse Management
- Rifken Group
- Steve Brown Apartments
- SVA Certified Public Accountants
- Sveum Enterprises
- T. Wall Properties
- University Research Park
- Valuation Compliance, LLC
- Veridian Homes
- Village of Waunakee
- Welton Enterprises
- Wisconsin Management

LEASE

(This document is a lease of less than 99 years and not a conveyance subject to Transfer Return and fee per Sec. 77.21(1) Wis. Stats.)

This Lease is entered into on this _____ day of _____, 2026 ("Effective Date"), by and between the **City of Madison**, a Wisconsin municipal corporation, ("City"), and **The Salvation Army**, an Illinois corporation ("Lessee").

W I T N E S S E T H:

Return to: City of Madison
Economic Development Division
Office of Real Estate Services
P.O. Box 2983
Madison, WI 53701-2983

Tax Parcel No.: 251/0710-052-1005-1

WHEREAS, the City is the owner of the property at 3030 Darbo Drive, located in the City of Madison, Dane County, Wisconsin, which is legally described on attached Exhibit A and depicted on attached Exhibit B ("Property"); and

WHEREAS, the Lessee was the prior owner of the Property, and City and the Lessee (together, the "Parties") agreed that upon conveying the Property to the City, the Lessee could continue to occupy the Property, pursuant to this Lease, for the continued operation of their business during Lessee's construction of a replacement shelter and office facilities (the "Project").

NOW, THEREFORE, the Parties mutually agree as follows:

1. Leased Premises. The City hereby leases to the Lessee the Property, also referred to as the "Leased Premises" in this Lease.

2. As Is, Where Is. The City leases the Leased Premises to the Lessee in "as is", "where is" condition with all faults and City makes no representations or warranties, either express or implied, as to the condition of the property or any improvements thereon, as to the suitability or fitness of the property or any improvements thereon, as to any law, or any other matter affecting the use, value, occupancy, or enjoyment of the property, or, except as set forth elsewhere herein, as to any other matter whatsoever.

3. Term. This Lease shall commence on the Effective Date and expire on December 31, 2027 ("Initial Term"), subject to extension and Early Termination pursuant to the terms of this Lease.

   The Lease shall automatically terminate prior to the expiration of the Initial Term or any subsequent Renewal Option, 60 days following the Project receiving a final certificate of occupancy permit and all other required approvals from the City necessary for Lessee's occupancy and use of the Project ("Early Termination").

4. Option to Renew. Lessee shall have three (3) successive options to extend this Lease (each defined as a "Renewal Option"; collectively the "Renewal Options") for additional terms of one

(1) year each, under the same terms and conditions provided in the original term of this Lease. If the Lessee desires to renew this Lease, the Lessee must give notice in writing to the City a minimum of one hundred twenty (120) days prior to the expiration of the Initial Term or any Renewal Term, pursuant to the notice provisions set forth in Paragraph 23. In addition, City shall have the right to declare Lessee's exercise of a Renewal Option null and void if Lessee is in default under the terms of this Lease beyond any applicable notice and cure periods on the date Lessee exercises a Renewal Option or at any time thereafter until the commencement of the applicable Renewal Term for which the Renewal Option was exercised. Except as otherwise provided for in this Paragraph, any applicable Renewal Options shall expire or terminate under the same terms and conditions as the Initial Term.

5. Rent. "Base Rent" shall be One Dollar ($1.00) per year, or any portion thereof. All payments are to be made payable to the City Treasurer and sent or personally delivered to the Economic Development Division at the address specified in Paragraph 23, or to the address of a property manager, as designated by the City.

6. Use. The Lessee shall use the Leased Premises solely for the purpose of operating The Salvation Army and activities related thereto, which may include use of the Leased Premises by other community organizations provided such use does not otherwise conflict with the terms of this Lease, and for no other purposes whatsoever without the City's prior written consent. The City may withhold such consent in its sole discretion.

7. Utilities. The Lessee shall be responsible for and promptly pay all charges for heat, gas, electric, sewer, storm sewer, water service and any other utility used upon or furnished to the Leased Premises. The Lessee shall also be responsible for arranging the stoppage of any internet, television, cable and telephone service furnished to the Leased Premises, and all costs related thereto, upon the termination or expiration of this Lease.

8. Assignment and Subletting. Except as set forth herein, the Lessee shall not assign this Lease nor sublet the Leased Premises, or any portion thereof, without the prior written consent of the City. The City may withhold such consent in its sole discretion.

   Notwithstanding the foregoing, the Lessee shall be permitted to sublet a portion of the Leased Premises, without the City's consent, to the YMCA for use for youth recreation and education, afterschool and summer programming as well as general recreational programming. The term of such sublease shall expire on or before the expiration of the term of this Lease and shall be subject to the terms and conditions of this Lease. Notwithstanding such sublease, the Lessee shall remain responsible for the performance of all obligations of the Lessee under this Lease.

9. Alterations and Construction. Except as authorized by this Paragraph 9 or as may be required to satisfy Lessee's obligations under Paragraph 10, no construction, modification, improvement, alteration, redecoration, or remodeling of the Leased Premises shall be undertaken without prior written approval from the Director of the City Economic Development Division, which approval shall not be unreasonably withheld, conditioned or delayed. Any such construction, modification, improvement, alteration, redecoration, or remodeling shall be at the expense of the Lessee and remain for the benefit of the City, unless otherwise provided in such written approval. In all cases, the Lessee is responsible for following all applicable ordinances, codes, statutes, and laws, and obtaining all permits required for any construction activity.

At the Lessee's sole cost, from and after the execution of this Lease by the Parties, the Lessee may replace and/or repair the finished flooring surface, paint walls, replace and/or repair lighting fixtures throughout the Leased Premises without the City's prior written approval.

10. Maintenance Responsibilities. Subject to the obligations of the City set forth below, the Lessee shall, at its own expense, keep and maintain the Leased Premises and every part thereof, and any fixtures, facilities or equipment contained therein, including exterior and interior signs;; general repairs; removal of garbage and debris; snow removal; landscape upkeep; parking enforcement; light fixtures, including replacement of light bulbs and ballasts; all plumbing fixtures and accessories; sinks and drains, including unclogging; interior walls including drywall, plaster, and other wall surfaces that may be present; and finish flooring materials and surfaces, elevator maintenance and inspection, routine maintenance of HVAC equipment, fire alarm system (including annual inspections, the fire panel, hardwire installation, smoke / heat detectors, local fire alarm pull stations, all connected strobe and audible alarms meeting ADA guidelines and any other detectors and enunciators if required by government codes and regulations, and if devices need to be replaced they should be addressable devices if required per Madison Fire Dept) in substantially the same condition and repair as exists on the Effective Date, ordinary wear and tear excepted, and in a presentable condition consistent with good business practice and in a manner consistent with the preservation and protection of the general appearance and value of other premises in the immediate vicinity. Notwithstanding the foregoing, the Lessee's obligations hereunder shall only require ordinary maintenance of the Leased Premises. The City shall be responsible for the performance and cost of all capital repairs and replacements to the Leased Premises that are reasonably necessary during the term of this Lease, including, without limitation, all repairs and replacements of the HVAC, electrical, and plumbing systems, and the exterior walls, foundation, structural elements and paving at the Leased Premises.

11. Liens and Title.

    a. The Lessee shall not suffer or permit any construction or mechanics' lien to be filed, or if filed, to remain uncontested, against the fee of the Leased Premises, nor against the Lessee's leasehold interest in the Leased Premises, by reason of work, labor, services or materials supplied or claimed to have been supplied to the Lessee or anyone holding the Leased Premises or any part thereof through or under the Lessee; and nothing contained herein shall be deemed or construed in any way as constituting the consent or request of the City, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement, alteration or repair of or to the Leased Premises or any part thereof, nor as giving the Lessee any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any construction or mechanics' lien against the fee of the Leased Premises. If any such lien is filed, the Lessee shall immediately cause the same to be discharged or released or shall upon request provide adequate and acceptable security or bond to protect the City's interest.

    b. If any such construction or mechanics' lien shall at any time be filed against the Leased Premises, the Lessee covenants that it will promptly take and diligently prosecute appropriate action to have the same discharged by payment, bonding or otherwise, and that it will hold the City free and harmless of and from any and all liability to any contractor, subcontractor, materialman, laborer or any other person relating to or arising

because of any improvements or alterations on or to the Leased Premises, and that it will also defend on behalf of the City, at the Lessee's sole cost and expense, any action, suit or proceeding which may be brought for the enforcement of any such lien, and that it will pay any damages and discharge any judgments entered therein. Upon the Lessee's failure to do any of the foregoing things, the City may take such action as may be reasonably necessary to protect the City's interest, in addition to any other right or remedy which it may have; and any amount paid by the City in connection with such action shall be repaid by the Lessee to the City upon demand.

c. The Lessee shall in no way encumber, or allow to be encumbered, the City's title to the Leased Premises.

12. Taxes and Assessments. The Parties are tax-exempt entities. Should any City of Madison Ordinance or State of Wisconsin Statute after the Effective Date require that the Property be subject to real estate taxes or assessments, the Lessee shall be liable for all such real estate taxes and assessments in relation to the Property during the term of this Lease. The Lessee shall be responsible for all personal property tax on its personal property.

13. Indemnification. The Lessee shall be liable to and agrees to indemnify, defend and hold harmless the City, and its officers, officials, agents, and employees, against all loss or expense (including liability costs and attorney's fees) by reason of any claim or suit, or of liability imposed by law upon the City or its officers, officials, agents or employees for damages because of bodily injury, including death at any time resulting therefrom, sustained by any person or persons or on account of damages to property, including loss of use thereof, arising from, in connection with, caused by or resulting from the acts or omissions of the Lessee or its officers, officials, members, agents, employees, assigns, guests, invitees, sublessees or subcontractors, in the performance of this Lease, whether caused by or contributed to by the negligence of the City, its officers, officials, agents, or employees. This paragraph shall survive termination and assignment or transfer of this Lease.

14. Hazardous Substances; Indemnification. The Lessee represents and warrants that its use of the Leased Premises will not generate any hazardous substance, and it will not store or dispose on the Leased Premises nor transport to or over the Leased Premises any hazardous substance in violation of any applicable federal, state or local law, regulation or rule. The Lessee further agrees to hold the City harmless from and indemnify the City against any release of such hazardous substance occurring on or after the Effective Date and any damage, loss, or expense or liability resulting from such release including all attorneys' fees, costs and penalties incurred as a result thereof. "Hazardous substance" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic radioactive substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules may be amended from time to time; and it shall be interpreted to include, but not be limited to, any substance which after release into the environment will or may reasonably be anticipated to cause sickness, death or disease or damage to or loss of use of real or personal property. This paragraph shall survive termination and assignment or transfer of this Lease.

15. Insurance.

a. The Lessee shall carry commercial general liability insurance covering as insured the Lessee and naming the City, its officers, officials, agents and employees as additional insureds, with a minimum limit of $1,000,000 minimum per occurrence as may be adjusted occasionally by the City of Madison's Risk Manager, but in no event shall the minimum limit exceed $2,000,000 minimum per occurrence. This policy shall also be endorsed for contractual liability in the same amount, apply on a primary and noncontributory basis, and provide the City with thirty (30) days advance written notice of cancellation, non-renewal or material changes to the policy during the term of this Lease. As evidence of this coverage, the Lessee shall furnish the City with a certificate of insurance on a form approved by the City, such approval not to be unreasonably withheld, and, if requested by the City Risk Manager, the Lessee shall also provide copies of additional insured endorsements or policy. If the coverage required above expires while this Lease is in effect, the Lessee shall provide a renewal certificate to the City for approval.

b. The Lessee shall be solely responsible for carrying property insurance sufficient to cover loss of all stock-in-trade, trade fixtures, furniture, furnishings, equipment or personal property on the Leased Premises. The City shall not be liable for any damage to, or loss of property of the Lessee or others located on the Leased Premises. In addition, the Lessee agrees to provide a waiver of subrogation in favor of the City.

c. Throughout the term of this Lease, the City will, at the City's expense, carry property insurance on the Leased Premises. Such property insurance will be the same as what is carried on other City-owned properties.

16. Defaults, Remedies, and Termination.

a. Defaults: The occurrence of any of the following events shall constitute a default and breach of this Lease by the Lessee:

(1) The abandonment by the Lessee of the Leased Premises;

(2) The use of the Leased Premises for an illegal purpose;

(3) In the event the Lessee ceases its business operations at the Leased Premises for a period of more than ten (10) consecutive business days, other than interruptions caused by fire, casualty, or other causes beyond the Lessee's control; and

(4) In the event the Lessee defaults in the performance of any other term or condition of this Lease.

b. City's Remedies. If any default by the Lessee shall continue uncured after thirty (30) days written notice of default from City to the Lessee, the City has the following remedies, in addition to all other rights and remedies provided by law or equity, to which the City may resort cumulatively or in the alternative.

(1) Termination of Lease. The City may at the City's election terminate this Lease by giving the Lessee notice of termination while such default remains uncured. On the giving of the notice, all further obligations of City under this Lease shall terminate,

the Lessee shall surrender and vacate the Leased Premises in a broom clean and sanitized condition, and the City may take possession of the Leased Premises and eject all parties in possession or eject some and not others or eject none. Termination under this paragraph shall not relieve the Lessee from the payment of any sum then due to the City or from any claim for damages previously accrued or then accruing against the Lessee.

(2) Diligent Efforts. Notwithstanding anything to the contrary in this Paragraph, in the event of the Lessee's default under Paragraph 16.a.(4), if such default is not a health or safety violation and cannot, because of the nature of the default, be cured within the thirty (30) days after City's notice thereof, then the Lessee shall be deemed to be complying with such notice if, promptly upon receipt of such notice, the Lessee immediately takes steps to cure the default as soon as reasonably possible and proceeds thereafter continuously with due diligence to cure the default within a period of time which, under all prevailing circumstances, shall be reasonable.

(3) City May Perform. City shall have the right at any time, after ten (10) days notice to the Lessee (or in case of emergency or a hazardous condition or in case any fine, penalty, interest or cost may otherwise be imposed or incurred), to make any payment or perform any act required of the Lessee under any provision in this Lease, and in exercising such right, to incur necessary and incidental costs and expenses, including reasonable attorneys' fees. Nothing herein shall obligate the City to make any payment or perform any act required of the Lessee, and this exercise of the right to so do shall not constitute a release of any obligation or a waiver of any default. All payments made and all costs and expenses incurred in connection with any exercise of such right shall be reimbursed to the City by the Lessee.

c. Lessee's Remedies. If any default by the City shall continue uncured after thirty (30) days written notice of default from Lessee to City, Lessee has the following remedies, in addition to all other rights and remedies provided by law or equity, to which Lessee may resort cumulatively or in the alternative:

(1) The Lessee may terminate this Lease by giving the City notice of termination. Upon the giving of the notice, all further obligations under this Lease shall terminate, Lessee shall surrender and vacate the Leased Premises in a broom clean and sanitized condition, and the City may take possession of the Leased Premises and eject all parties in possession or eject some and not others or eject none.

(2) Lessee may take any actions necessary to cure a default by making repairs or replacements required by City under this Lease and the City shall reimburse the Lessee for the cost incurred by Lessee in taking such actions within thirty (30) days after written notice from the Lessee describing such cost and providing evidence of payment by the Lessee.

If the City shall fail to perform any covenant, term or condition of this Lease to be performed by City, if any, and if as a consequence of such default, the Lessee shall recover a money judgment against City, such judgment shall be satisfied only out of the proceeds of sale received upon execution of such judgment and levied thereon against the right, title and interest of City in the Leased Premises and out of income from such property

receivable by City, or out of the consideration received by City from the sale or other disposition of all or any part of City's right, title and interest in the Leased Premises, and City shall not be personally liable for any deficiency.

17. Compliance. The Lessee shall observe and promptly and effectively comply with all applicable statutes, rules, orders, ordinances, requirements and regulations of the City, the County, the State of Wisconsin, the federal government and any other governmental authority having jurisdiction over the Leased Premises. The Lessee may, if in good faith and on reasonable grounds, dispute the validity of any charge, complaint or action taken pursuant to or under color of any statute, rule, order, ordinance, requirement or regulation, defend against the same, and in good faith diligently conduct any necessary proceedings to prevent and avoid any adverse consequence of the same. The Lessee agrees that any such contest shall be prosecuted to a final conclusion as soon as possible and that it will hold the City harmless with respect to any actions taken by any lawful governmental authority with respect thereto.

18. City Right of Entry. For the purposes of maintaining the Leased Premises, the City or its representatives reserve the right to enter and access the Leased Premises 24 hours per day, 7 days per week, with 48-hour notice to the Lessee, for the following non-emergency purposes:

    a. To make any necessary repairs/replacements to the Leased Premises for which the City is responsible under the terms of this Lease.

    b. To conduct any periodic inspections of the Lessee's maintenance obligations herein, that it may deem expedient to the proper enforcement of any term or condition of this Lease or in the exercise of its municipal powers.

    For the purposes of remedying an emergency situation, the City may enter the Leased Premises 24 hours per day, 7 days per week, without notice to the Lessee.

19. Rights upon Expiration or Termination; Removal and Disposal of Personal Property. Upon the expiration or termination of this Lease for any cause, the Lessee's rights in the Leased Premises shall cease, and the Lessee shall immediately surrender the Leased Premises. Prior to such expiration or termination, the Lessee shall have the right to remove all furniture and personal property that Lessee desires to remove, and the City and the Lessee shall discuss and determine which of the Lessee's other furniture, fixtures, equipment and personal property shall remain at the Leased Premises following such expiration or termination. The Lessee shall remove all personal property from the Leased Premises that the Parties agree that the Lessee is required to remove and leave the Leased Premises in a broom clean and sanitized condition. If any personal property is abandoned on the Leased Premises, the City shall have the right to dispose of said property, without liability, thirty (30) days after the Lessee vacates or abandons the Leased Premises.

20. Hold Over. In the event the Lessee shall continue to occupy or use the Leased Premises after the expiration of this Lease or any extension thereof, such holding over shall be deemed to constitute a tenancy from month to month, upon the same terms and conditions as herein provided, however, in no event shall the tenancy be deemed to be year to year.

21. Definition of City and Lessee. The terms "City" and "Lessee" when used herein shall mean either singular or plural, as the case may be, and the provisions of this Lease shall bind the Parties mutually, their heirs, personal representatives, successors and assigns.

22. Authorized Agent. The City's Economic Development Division Director or the Director's designee, is hereby designated as the official representative of the City for the enforcement of all provisions of this Lease, with authority to administer this Lease lawfully on behalf of the City.

23. Notices. All notices to be given under the terms of this Lease shall be signed by the person sending the same and shall be sent by either electronic mail or certified mail, return receipt requested and postage prepaid, to the address of the parties specified below. If electing to use electronic mail, said emails shall be sent to the email addresses provided below with an active read receipt and shall include a statement that the electronic mail constitutes notice under the terms of this Lease.

For the City:	Office of Real Estate Services Economic Development Division - City of Madison P. O. Box 2983 215 Martin Luther King, Jr. Blvd., 3rd Floor Madison, WI 53701-2983 Email: mhermann@cityofmadison.com and ores@cityofmadison.com
With a copy to:	City Attorney's Office Attn: Matthew Robles City County Building, Room 401 210 Martin Luther King Jr. Blvd. Madison, WI 53703 Phone: (608) 267-4925 Email: mrobles@cityofrnadison.com
For the Lessee:	The Salvation Army Attn: Tracy Habermehl, Divisional Property Administrator 11315 W. Watertown Plank Road Wauwatosa, WI 53226 Email: tracy.habermehl@usc.salvationarmy.org

Any party hereto may, by giving five (5) days written notice to the other party in the manner herein stated, designate any other address in substitution of the address shown above to which notices shall be given.

24. Counterparts, Electronic Signature and Delivery. This Lease may be signed in counterparts, each of which shall be taken together as a whole to comprise a single document. Signatures on this Lease may be exchanged between the Parties by facsimile, electronic scanned copy (.pdf) or similar technology and shall be as valid as original; and this Lease may be converted into electronic format and signed or given effect with one or more electronic signature(s) if the electronic signature(s) meets all requirements of Wis. Stat. ch. 137 or other applicable Wisconsin or Federal law. Executed copies or counterparts of this Lease may be delivered by facsimile or email or similar technology and upon receipt will be deemed original and binding upon the

Parties, whether or not a hard copy is also delivered. Copies of this Lease, fully executed, shall be as valid as an original.

25. Non-Discrimination. In the performance of its obligations under this Lease, the Parties agree not to discriminate because of race, religion, marital status, age, color, sex, disability, national origin or ancestry, income level or source of income, arrest record or conviction record, less than honorable discharge, physical appearance, sexual orientation, gender identity, political beliefs or student status. The Parties further agree not to discriminate against any contractor, subcontractor or person who offers to contract or subcontract for services under this Lease because of race, religion, color, age, disability, sex, sexual orientation, gender identity or national origin.

26. Accessibility. The Leased Premises shall conform where applicable to Chapter SPS 361.05 of the Wisconsin Administrative Code, Madison General Ordinances Section 39.05, and the Americans with Disabilities Act, regarding accessibility, with all costs of compliance to be paid by the Lessee.

27. Signs. Any signs on the Leased Premises shall be in conformity with the provisions of City of Madison General Ordinance Chapter 31, Sign Control Ordinance. Lessee shall pay the cost to create, install and maintain any signage.

28. Severability. If any term or provision of this Lease or the application thereof to the City or the Lessee or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such terms or provisions to the City or the Lessee or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforceable to the fullest extent permitted by law.

29. Entire Agreement. All terms and conditions with respect to this Lease are expressly contained herein, and the Parties agree that neither Party has made any representations or promises with respect to this Lease not expressly contained herein. No alteration, amendment, change, or addition to this Lease shall be binding upon the Parties unless in writing and signed by them.

30. Damage and Destruction. In the event the Leased Premises is damaged by any peril covered by standard policies of fire and extended coverage insurance to an extent which is less than fifty percent (50%) of the cost of replacement of the Leased Premises, the damage shall, except as hereinafter provided, promptly be repaired by the City, at the City's expense, but in no event shall the City be required to repair or replace the Lessee's stock-in-trade, trade fixtures, furniture, furnishings, equipment or personal property. In the event: (a) the Leased Premises is damaged to the extent of fifty percent (50%) or more of the cost of replacement of the Leased Premises; or (b) the building is damaged to the extent of fifty percent (50%) or more of the cost of replacement; or (c) any damage to the Leased Premises occurs during the last one-third (1/3) of the primary term of this Lease or at any time during any renewal term or hold over period thereof, the City may elect either to repair or rebuild the Leased Premises, as the case may be, or to terminate this Lease upon giving notice of such election in writing to the Lessee within ninety (90) days after the event causing the damage. If the casualty, repairing or rebuilding shall render the Leased Premises untenantable, in whole or in part, the Lease term shall be extended for a period equal to the period of repair. If the City is required or elects to repair the Leased Premises, the Lessee shall repair or replace its stock-in-trade, trade fixtures, furniture, furnishings,

equipment and personal property in a manner and to at least a condition equal to that prior to its damage or destruction, and the proceeds of all insurance carried by the Lessee shall be held in trust by the Lessee for the purpose of such repair and replacement.

31. Leased Premises Acquired by Eminent Domain. In the event the Leased Premises or any part thereof shall be needed either permanently or temporarily for any public or quasi-public use or purpose by any authority in appropriation proceedings or by any right of eminent domain, the entire compensation award therefor, including, but not limited to, all damages and compensation for diminution of value of the leasehold, reversion and fee, shall belong to the City without any deduction therefrom for any present or future estate of the Lessee, and the Lessee hereby assigns to the City all of its right, title and interest to any such award. However, the Lessee shall have the right to recover from the condemning authority such compensation as may be separately awarded to the Lessee for moving and relocation expenses.

    In the event of a taking of any portion of the Leased Premises not resulting in a termination of this Lease, the City shall use so much of the proceeds of the City's award for the Leased Premises as is required therefor to restore the Leased Premises to a complete architectural unit, and this Lease shall continue in effect with respect to the balance of the Leased Premises.

32. Brokerage Costs. The Parties are not responsible for any brokerage costs in connection with the Lease.

33. Public Record. This Lease will be recorded at the office of the Dane County Register of Deeds after it is executed by the Parties.

Signatures begin on following page.

IN WITNESS WHEREOF, the Parties have entered into this Lease as of the date first set forth above.

The Salvation Army,
an Illinois corporation

By: _____

State of Illinois)
)ss.
County of Cook)

Personally came before me this ____ day of _____, 2026, the above named _____ (name), as _____(title) of The Salvation Army, an Illinois corporation, known to me to be the person who executed the above foregoing instrument, and acknowledged that they executed the foregoing instrument as such _____(title) as the deed of said corporation, by its authority.

_____
Notary Public, State of Illinois

_____
Print or Type Name
My Commission expires:_____

CITY OF MADISON

By: _____
Satya Rhodes-Conway, Mayor

By: _____
Lydia A. McComas, City Clerk

AUTHENTICATION

The signatures of Satya Rhodes-Conway, Mayor, and Lydia A. McComas, Clerk, on behalf of the City of Madison, are authenticated on this ___ day of _____, 2026.

_____
Matthew Robles, Assistant City Attorney
Member of the Wisconsin Bar

Approved	**Date**	**Approved**	**Date**
_____	_____	_____	_____
David Schmiedicke, Finance Director		Eric Veum, Risk Manager	

Approved as to Form

_____ _____
Michael Haas, City Attorney

Execution of this Lease by the City of Madison is authorized by Resolution Enactment No. RES-26-00____, File ID No. _____, adopted by the Common Council of the City of Madison on _____ ___, 2026.

Drafted by the City of Madison Office of Real Estate Services Real Estate Project No. 10379

EXHIBIT A

Legal Description of the Property

LOT 2 OF CERTIFIED SURVEY MAP NO. 7652, RECORDED IN THE OFFICE OF THE REGISTER OF DEEDS FOR DANE COUNTY, WISCONSIN ON NOVEMBER 15, 1994, IN VOLUME 40 OF CERTIFIED SURVEY MAPS, PAGE 47, AS DOCUMENT NO. 2645258 AND BEING CORRECTED BY AFFIDAVIT RECORDED JUNE 10, 1996 IN VOLUME 33141, PAGE 73 AS DOCUMENT NO. 2769665, BEING LOCATED IN THE NORTHEAST 1/4 AND NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 5, TOWNSHIP 7 NORTH, RANGE 10 EAST, CITY OF MADISON, DANE COUNTY, WISCONSIN, BEING OUTLOT A, LOTS 1-4 AND 9-19 EXCEPT THE NORTHERLY 5 FEET OF LOTS 16-19, ALL IN DARBO'S ADDITION.

EXCEPTING THEREFROM THAT PORTION OF LAND CONVEYED IN WARRANTY DEED RECORDED IN DOCUMENT NO. 4229987 AND FURTHER EXCEPTING THEREFROM THAT PORTION OF LAND CONVEYED IN INSTRUMENT RECORDED IN DOCUMENT NO. 5424962.

EXHIBIT B

Depiction of the Property/Leased Premises

37450699.6

From: Linda Ketcham
To: All Alders
Subject: Purchase of Salvation Army Building
Date: Tuesday, April 21, 2026 8:08:39 AM

Some people who received this message don't often get email from linda@justdane.org. Learn why this is important

Caution: This email was sent from an external source. Avoid unknown links and attachments.

Dear Alders,
I am writing in support of the City of Madison's purchase of the Salvation Army building located at 3030 Darbo Drive with a leaseback period. We believe that the purchase of this building will allow for other opportunities for development to support the Darbo Drive community.

I do want to note that, in attempting to register in support of the purchase, the City registration site was, at least this morning, only recognizing Agenda items 1-3 as recognizable numbers to enter for registration. Hence this email instead of a registration.
Sincerely,

Linda Ketcham (she/ her/hers)
Executive Director
JustDane, Inc.
128 E. Olin Ave. Suite 202
Madison, WI 53713
608-256-0906
She, her,hers

"Compassion and justice are companions, not choices." Wm. Sloane Coffin

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92719

File ID:	92719	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/13/2026
File Name:	13338 - Storage for Clerk's Office			**Final Action:**	

Title: Authorizing the City's execution of a lease for a 36-month term beginning June 1, 2026 between the City of Madison and Oakleaf Properties I LLC for the property at 2041 S Stoughton Rd for Clerks Office storage. (District 16)

Notes:

Sponsors: Sean O'Brien

Effective Date:

Attachments:

Enactment Number:

Author: Tom Otto, Economic Development Division

Hearing Date:

Entered by: cklawiter@cityofmadison.com

Published Date:

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Economic Development Division	04/13/2026	Referred for Introduction				
	Action Text:	This Resolution was Referred for Introduction					
	Notes:	Finance Committee (4/27/26), Common Council (5/5/26)					
1	COMMON COUNCIL	04/21/2026	Refer	FINANCE COMMITTEE			Pass
	Action Text:	A motion was made by Madison, seconded by Glenn, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.					
1	FINANCE COMMITTEE	04/27/2026	RECOMMEND TO COUNCIL TO RE-REFER - REPORT OF OFFICER				Pass
	Action Text:	A motion was made by Vidaver, seconded by O'Brien, to RECOMMEND TO COUNCIL TO RE-REFER - REPORT OF OFFICER to the Finance Committee (Finance Committee 5/11/26, Common Council 5/19/26). The motion passed by voice vote/other.					
	Notes:	Finance Committee (5/11/26), Common Council (5/19/26)					
1	COMMON COUNCIL	05/05/2026	Re-refer	FINANCE COMMITTEE			Pass
	Action Text:	A motion was made by Madison, seconded by Glenn, to Re-refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.					

Text of Legislative File 92719

Fiscal Note

The proposed resolution authorizes the Clerk's Office to execute a gross lease with Oakleaf Properties I, LLC for a 36-month lease term beginning June 1, 2026. Under the terms of the lease, the rent will be $6,000 per month. The cost in 2026 will be $42,000 and the total cost over the lease term is estimated to be $216,000. The lease provides for common area maintenance (CAM) operating expenses typically incurred by the lessee under a triple-net lease, including: real estate taxes, insurance, snow removal, landscaping services, repairs and maintenance, water costs, and sewer costs. The 2026 Adopted Budget for the Clerk's Office did not include funding for this lease, as costs were not known at the time of budget development. The Clerk's Office and Finance Department will monitor the Clerk's operating budget through the budget projection process. If needed, funds may be transferred to the Clerk's office through the mid-year or year-end appropriation resolutions to ensure sufficient funding is available for 2026 costs. Funding for 2027 and 2028 lease costs will be built into the Clerk's operating budget requests. At this time, no additional appropriation is required.

Title

Authorizing the City's execution of a lease for a 36-month term beginning June 1, 2026 between the City of Madison and Oakleaf Properties I LLC for the property at 2041 S Stoughton Rd for Clerks Office storage. (District 16)

Body

WHEREAS, the Elections Center / Clerks Office Facility Remodel project located at the Dane County Elections Center at 2002 Pankratz Street will be underway beginning in June 2026 and is expected to be a multi-year project; and

WHEREAS, the City of Madison Clerk's Office is using a portion of 2002 Pankratz Street for storage of election equipment and supplies that must be vacated during the renovation of this building; and

WHERAS, the City of Madison and Oakleaf Properties I LLC desire to enter into a lease (the "Lease") for the premises at 2041 S Stoughton Rd to allow for temporary storage of election equipment and supplies during said remodel project.

NOW THEREFORE BE IT RESOLVED that the Mayor and City Clerk are authorized to execute a lease with Oakleaf Properties I LLC substantially though not exclusively, on the terms and conditions detailed in the Letter of Intent attached to this resolution as Exhibit I - Letter of Intent for a Lease.

BE IT RESOLVED that the Mayor and City Clerk are authorized to execute, deliver and record a Memorandum of Lease and take any other further action required to accomplish the purpose of this resolution in a form approved by the City Attorney.

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92785

File ID:	92785	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/16/2026
File Name:	Seeking Common Council approval of the 2026-2027 Annual Arts Grants awards as recommended by the Madison Arts Commission.			**Final Action:**	

Title: Seeking Common Council approval of the 2026-2027 Annual Arts Grants awards as recommended by the Madison Arts Commission.

Notes:

Sponsors:	Dina Nina Martinez-Rutherford	**Effective Date:**	
Attachments:	2026-27 MAC Grant Recommendations.pdf	**Enactment Number:**	
Author:	Karin Wolf	**Hearing Date:**	
Entered by:	kwolf@cityofmadison.com	**Published Date:**	

History of Legislative File

Ver-sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Planning Division	04/28/2026	Referred for Introduction				
	Action Text:	This Resolution was Referred for Introduction					
	Notes:	Finance Committee (5/11/26), Common Council (5/19/26)					
1	COMMON COUNCIL	05/05/2026	Refer	FINANCE COMMITTEE			Pass
	Action Text:	A motion was made by Madison, seconded by Glenn, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.					

Text of Legislative File 92785

Fiscal Note

The proposed resolution authorizes the Planning Division Director to execute agreements for the 2026-2027 Arts Grants awards in the total amount of $107,000 as recommended by the Madison Arts Commission. Funding for these grants is available in the following funds:
Planning Division Other Grants - Wisconsin Arts Board: $15,000
Planning Division General Fund - Support for the Arts: $73,500
Room Tax Fund: $17,500
No additional appropriation required.

Title

Seeking Common Council approval of the 2026-2027 Annual Arts Grants awards as

recommended by the Madison Arts Commission.

Body

WHEREAS, The Madison Arts Commission has the authority, by ordinance, to annually recommend arts grants for approval by the Common Council; and,

WHEREAS, by the March 1st annual grant application deadline the Madison Arts Commission received 76 applications for arts projects funding, totaling $214,127.80 in requests; and,

WHEREAS, the Madison Arts Commission, and its subcommittees, met on March 16, March 18, and March 23 to evaluate the applications received for the 2026-2027 grant period and on Wednesday, April 14, 2026, the full Commission voted to recommend funding of 65 projects for grant awards totaling $107,000; and.

NOW, THEREFORE, BE IT RESOLVED, that the Madison Common Council approves the 2026-2027 annual grant awards funding recommendations of the Madison Arts Commission as shown in the attached table, and authorizes the execution of the agreements for such projects in the amount shown and with the grantees and/or their fiscal agents or DBA listed therein, upon countersignature of the Finance Director and approval of the City Attorney.

2026-27 Madison Arts Commission Annual Arts Grant Recommendations

Arts Education

#	Applicant	Project Title	Grant Request	Recommendation
3	Arts + Literature Laboratory, Inc.	2026-27 ALL Outreach Program	$5,000.00	$2,500.00
2	Children's Theater of Madison, Inc.	CTM's Young Playwright Program & Festival	$5,000.00	$2,000.00
1	Overture Center Foundation, Inc.	OnStage Student Field Trips	$5,000.00	$1,000.00
4	Philippine-American Association of Madison and Neighboring Areas. Inc.	Pinoy Sama-Summer 2026	$5,000.00	$2,500.00
6	Sandburg Elementary PTO Inc.	Sandburg Stage Estrellas After School Theater Club	$4,760.00	$3,590.00
5	Whoopensocker Performing Ensemble (Fiscal receiver: Center for Community Stewardship)	Whoopensocker Live! 2026-27 Season	$5,000.00	$3,800.00

Dance

#	Applicant	Project Title	Grant Request	Recommendation
9	Christopher Holland (Fiscal Receiver: Create Wisconsin, Inc.)	PARADE! A Variety Cabaret Spectacular	$5,000.00	$1,000.00
8	Elizabeth L Sexe	Through the Keyhole and the Storm	$1,025.00	$1,000.00
10	Francis C. Medrano Tristan (Fiscal Receiver: Create Wisconsin, Inc.)	AFRO-ROOTS	$5,000.00	$3,800.00
7	Madison Contemporary Dance, Inc.	Creativity, Confidence, and Community	$5,000.00	$3,800.00

Festival

#	Applicant	Project Title	Grant Request	Recommendation
26	Ashley Moseberry (Fiscal Receiver: Arts + Literature Laboraty, Inc.)	Black on State Festival	$5,000.00	$2,000.00
27	Clean Lakes Alliance, Inc.	2027 Indigenous Winter Art and Cultural Displays	$5,000.00	$2,500.00
23	Disability Pride Madison Inc.	The Disability Pride Festival	$5,000.00	$2,000.00
24	Madison Jazz Festival (Fiscal Receiver: Arts + Literature Laboraty, Inc.)	2026 Madison Jazz Festival	$5,000.00	$2,000.00
25	Madison Music Review (Fiscal Receiver: Wil-Mar Neighborhood Center, Inc.)	Musique Électronique at La Fête De Marquette	$5,000.00	$1,000.00

Literary Arts

#	Applicant	Project Title	Grant Request	Recommendation
29	Latinos Organizing for Understanding and Development, Inc.	Latino Poetry Anthology Release	$2,150.00	$1,000.00
28	Midwest Mujeres Inc.	El Sueño Americano a través de los ojos de las mujeres de las Américas The American Dream Through the Eyes of Women of the Americas	$4,000.00	$1,600.00

Music

#	Applicant	Project Title	Grant Request	Recommendation
33	Archana Dhakhwa	Learn with Lyrics	$4,500.00	$1,000.00
37	Handphibians (Fiscal Receiver: Create Wisconsin, Inc.)	The Handphibians Youth Drumming Camp	$2,500.00	$1,250.00
35	Hawthorne Neighborhood Association (Fiscal Receiver: Create Wisconsin, Inc.)	Summer concert series	$1,842.80	$1,000.00
31	Jazz at Five, Inc.	Jazz at Five Performance Series 2026	$2,000.00	$1,000.00
36	Kristin Redman (Fiscal Receiver: Arts + Literature Laboraty, Inc.)	2026 Auricle New Music Series	$5,000.00	$2,000.00
40	Madison Area Concert Handbells, Inc.	Spring 2027 Kid-friendly Concert – Title TBD	$3,050.00	$1,000.00
38	Madison New Music Ensemble (Fiscal Receiver: Create Wisconsin, Inc.)	Concerts by the Madison New Music Ensemble for the 2026-27 season	$1,900.00	$1,000.00
30	Madison Symphony Orchestra, Inc.	HeartStrings® 2026-2027	$2,500.00	$1,000.00

Other

#	Applicant	Project Title	Grant Request	Recommendation
11	Madison Ice Inc.	Skate with the Diamonds	$2,650.00	$1,060.00

Film

#	Applicant	Project Title	Grant Request	Recommendation
44	James Kreul (Fiscal Receiver: Arts + Literature Laboraty, Inc.)	Mills Folly Microcinema 2026-2027	$3,000.00	$1,000.00
43	Li Chiao-Ping Dance, Inc.	Portrait of Michael: A Screendance Project	$2,000.00	$1,000.00

Visual Art

#	Applicant	Project Title	Grant Request	Recommendation
14	Charlotte Easterling	Solo exhibition (title TBD)	$2,000.00	$1,000.00
20	Dakota Mace (Fiscal Receiver: Arts + Literature Laboraty, Inc.)	2026 Native Art Market	$5,000.00	$1,000.00
19	Eastmorland Community Center Ltd.	Eastmorland Community Center Murals	$5,000.00	$2,500.00
17	IP Ministries, Inc.	The Memory Collectors Storytelling Project: Fighting Alzheimer's with Art	$5,000.00	$2,500.00
12	Meghan Allynn Johnson	Art, Grief, and Community: Death Work Teach-Ins	$2,000.00	$1,000.00
22	Neighborhood House Community Center, Inc.	Community Art Workshop Series	$5,000.00	$2,000.00
16	OutReach,Inc.	Gay Art Group	$5,000.00	$2,500.00
18	Textile Arts Center of Madison, Inc.	Textile Art Market	$4,000.00	$1,600.00

Legacy

#	Applicant	Project Title	Grant Request	Recommendation
61	African Association of Madison, Inc.	Africa Fest	$1,500.00	$1,500.00
52	Bach Dancing & Dynamite Society of WI, Inc.	35th Summer Chamber Music Festival: Never Say Never	$1,500.00	$1,500.00
72	Capitol City Band Association, Inc.	Capitol City Band Concert Series	$1,500.00	$1,500.00
60	Cycropia Aerial Dance, Inc.	Cycropia Aerial Dance at Orton Park Festival	$1,500.00	$1,500.00
47	Fermat's Last Theater Company, Inc.	The Patriot: The Double Life of Pham Xuan An, Vietnam's greatest spy & Hamlet Aggrieved - or Travels in the Undiscovered Country	$1,500.00	$1,500.00
57	Four Lakes Traditional Music Collective, Inc.	Fff Youth Music Workshop - Sugar Maple support and partnership	$1,500.00	$1,500.00
64	Fresco Opera Theatre Company	Opera on the Point	$1,500.00	$1,500.00
49	Friends of Allen Centennial Garden, Inc.	Summer Sundays: Jazz in the Garden 2026	$1,500.00	$1,500.00
56	Girls Rock Camp Madison, Inc.	Girls Rock Camp Madison Tuition Assistance Program	$1,500.00	$1,500.00
65	Grace Episcopal Church, Inc.	Grace Presents 2026-2027 Concert Series	$1,500.00	$1,500.00
63	Handel Aria Competition, Inc.	13th Annual Competition	$1,500.00	$1,500.00
66	Isthmus Dance Collective, Inc.	Supporting Regional Dance - Safe, Modular, Portable, Shareable Stage	$1,500.00	$1,500.00
69	Just Bach Concerts, Inc.	Just Bach Concerts Season 9	$1,500.00	$1,500.00
46	Kanopy Dance Theatre, Inc.	Without Boarders: Celebrating the Legacy of José Limón	$1,500.00	$1,500.00
53	LunART, Inc.	LunART Festival 2026: RESONANCE	$1,500.00	$1,500.00
50	Madison Bach Musicians, Inc.	Holiday Concert: Latin American Baroque	$1,500.00	$1,500.00
45	Madison Children's Museum, Inc.	Free Cultural Heritage Celebrations	$1,500.00	$1,500.00
55	Madison Choral Project, Inc.	Madison Choral Project 2026-27: The Sea Came Up and Drowned	$1,500.00	$1,500.00
62	Madison Flute Club, Inc.	2027 Wisconsin Flute Festival	$1,500.00	$1,500.00
54	Madison Savoyards, Ltd.	The McAdo, a new adaptation of Gilbert & Sullivan's The Mikado, set in Scotland	$1,500.00	$1,500.00
51	Madison Youth Choirs, Inc.	Madison's Big Sing	$1,500.00	$1,500.00
48	NewBridge Madison, Inc	NewBridge Summer Concert Series	$1,500.00	$1,500.00
70	Opera for the Young, Inc.	Operating Support / Rusalka: A Mermaid's Tale School Tour	$1,500.00	$1,500.00
68	PEBOGA Productions LLC.	Fall Gospel Fest	$1,500.00	$1,500.00
59	Simpson Street Free Press, Inc.	Youth Publishing in Madison: Writing About the Arts and Local History	$1,500.00	$1,500.00
67	TNW Ensemble Theater, Inc.	The Caffeinated Book Club of Chestnut Street Performs the U.S. Constitution	$1,500.00	$1,500.00
58	Wisconsin Academy of Sciences, Arts & Letters, Inc.	Grounded Materials exhibition	$1,500.00	$1,500.00
71	Wisconsin Chamber Orchestra, Inc.	Concerts on the Square	$1,500.00	$1,500.00
73	Wisconsin Youth Symphony Orchestras, Inc.	WYSO Percussion Extravaganza 2027	$1,500.00	$1,500.00
		Total Grant Requests:	**$184,377.80**	
		Total Grant Reccomnendation:		**$107,000.00**

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92839

File ID:	92839	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/24/2026
File Name:	Authorizing the City to execute an agreement with Mad City Ski Team, Inc. to use portions of Law Park and the adjacent Lake Monona lake bed for water ski shows, practices, lessons and other special events for the years of 2026-2028. (District 4)			**Final Action:**	

Title: Authorizing the City to execute an agreement with Mad City Ski Team, Inc. to use portions of Law Park and the adjacent Lake Monona lake bed for water ski shows, practices, lessons and other special events for the years of 2026-2028. (District 4)

Notes:

Sponsors:	Derek Field, Carmella Glenn And Michael E. Verveer	**Effective Date:**	
Attachments:	Mad City Ski Team Use Agreement (2026-2028) (Final).pdf	**Enactment Number:**	
Author:	Terrence Thompson	**Hearing Date:**	
Entered by:	nmiller@cityofmadison.com	**Published Date:**	

History of Legislative File

Ver-sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Parks Division	04/24/2026	Referred for Introduction				
	Action Text:	This Resolution was Referred for Introduction					
	Notes:	Board of Park Commissioners (5/13/26), Finance Committee (5/11/26), Common Council (5/19/26)					
1	COMMON COUNCIL	05/05/2026	Refer	BOARD OF PARK COMMISSIONERS			Pass
	Action Text:	A motion was made by Madison, seconded by Glenn, to Refer to the BOARD OF PARK COMMISSIONERS. The motion passed by voice vote/other.					
	Notes:	Additional referral to Finance Committee.					
1	BOARD OF PARK COMMISSIONERS	05/05/2026	Refer	FINANCE COMMITTEE			
	Action Text:	This Resolution was Refer to the FINANCE COMMITTEE					

Text of Legislative File 92839

Fiscal Note

The proposed resolution authorizes a one-year agreement that may be renewed for an

additional two one-year periods with Mad-City Ski Team, Inc. at Law Park. The agreement sets the terms and conditions upon which the City will allow Mad-City Ski Team, Inc. to use portions of Law Park and the adjacent Lake Monona lake bed for water ski shows, practices, lessons and other special events. In addition to a security deposit, Mad-City Ski Team, Inc. will pay the City anticipated fees of $2,925 over the term of the agreement, $950 in 2026, $975 in 2027, and $1,000 in 2028. The 2026 revenue is included in the Parks Division Operating Budget. Revenue for 2027 and 2028 will be requested through the operating budget development process.

Title

Authorizing the City to execute an agreement with Mad City Ski Team, Inc. to use portions of Law Park and the adjacent Lake Monona lake bed for water ski shows, practices, lessons and other special events for the years of 2026-2028. (District 4)

Body

WHEREAS, the Mad-City Ski Team was formed in 1995 following a merger of two ski teams, the Capital City Ski Team and the Madison Water Ski Show Team, and since around 1986, through itself and its predecessors, the Ski Team has been putting on weekly free summer water ski shows for the public at Law Park in Madison; and,

WHEREAS, the Ski Team is made up of a group of dedicated volunteers that perform free water ski shows for the Madison community throughout the summer and compete in regional and national water ski show tournaments. The Ski Team is nationally recognized for its innovative shows and thrilling water skiing and has won National Championships in 1975, 1976, 1977, 1978, 1979, 2004, 2006, 2007, 2008, 2009 and 2019; and,

WHEREAS, it is in the City's interest to allow the Ski Team to continue to use a portion of Law Park and the nearby lakebed for its weekly water ski shows, practices, lessons and special events.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Clerk are authorized to enter into a Use Agreement with Mad-City Ski Team, Inc. to use portions of Law Park and the adjacent Lake Monona lake bed for water ski shows, practices, lessons and other special events consistent with the Law Park Use Agreement for 2026-2028 and incorporated hereto, in a format that is approved by the City Attorney and the Risk Manager;

BE IT FURTHER RESOLVED that the Superintendent of Parks is delegated the authority to act on behalf of the City as set forth in the Agreement.

LAW PARK USE AGREEMENT FOR 2026-2028
Between the City of Madison and Mad-City Ski Team, Inc.

THIS AGREEMENT, is made and entered into by and between the City of Madison, a Wisconsin municipal corporation ("City"), and Mad-City Ski Team, Inc., a Wisconsin non-profit corporation ("Ski Team"), is effective as of the date on which all parties have signed hereunder.

WITNESSETH:

WHEREAS, the Mad-City Ski Team was formed in 1995 following a merger of two ski teams, the Capital City Ski Team and the Madison Water Ski Show Team, and since around 1986, through itself and its predecessors, the Ski Team has been putting on weekly free summer water ski shows for the public at Law Park in Madison; and,

WHEREAS, the Ski Team is made up of a group of dedicated volunteers that perform free water ski shows for the Madison community throughout the summer and compete in regional and national water ski show tournaments. The Ski Team is nationally recognized for its innovative shows and thrilling water skiing and has won National Championships in 1975, 1976, 1977, 1978, 1979, 2004, 2006, 2007, 2008, 2009 and 2019; and,

WHEREAS, it is in the City's interest to allow the Ski Team to continue to use a portion of Law Park and the nearby lakebed for its weekly water ski shows, practices, lessons and special events.

NOW, THEREFORE, in consideration of the promises and mutual covenants of the parties hereto, the Parties agree as follows:

1. Purpose. The purpose of this Agreement is to set forth the terms and conditions upon which the City will allow the Ski Team to use portions of Law Park and the adjacent Lake Monona lake bed (hereinafter, the "Premises") for water ski shows, practices, lessons and other special events. The Premises is depicted on Attachment A, which is incorporated herein by reference.

2. Term; Renewals. This Agreement shall expire on December 31, 2026. It may be renewed for two additional one-year periods, for the 2027 and 2027 calendar years, upon the mutual agreement of the Parties as set forth herein.

3. Special Conditions of Use. In entering into this Agreement, Ski Team agrees to the following special terms and conditions regarding the Ski Team's use of the Premises:

    a. Use of Premises. Ski Team may use the Premises to conduct water ski shows, practices, lessons and other special events, subject to the terms and conditions set forth in this Agreement. Special events must submit a park event application at least 30 days in advance of the event and receive an approved park event permit. Depending on the size and scope of the special event, Ski Team may be required to obtain Board of Park Commissioners approval prior to the event. Ski Team

practices occur Monday through Thursday, with up to six (6) practices occurring on Saturdays. Ski Team shows occur on Sunday evenings from Memorial Day to Labor Day. City further grants Ski Team permission to conduct water skiing workshops for people with disabilities and their families using expert staff from Ski Team. Ski Team may place one water ski jump, regulatory buoys, a landing pier, starting docks, bleachers and temporary toilets within the Premises as set forth below. Ski Team will provide schedule of anticipated practices, lessons and shows to the Parks Division by April 15 each year.

b. Permitted Improvements.

(1) Pier and Starting Dock. Ski Team may place two landing piers and one starting dock in the Premises. A square sign not to exceed twenty-four (24) inches will be allowed on the pier. The sign must be approved by the Parks Superintendent and the Board of Park Commissioners and may contain information about the Ski Team and the water ski shows. No advertising shall be allowed on the sign, although Ski Team sponsors may be listed.

(2) Water Ski Jump. Ski Team may place one water ski jump in the northern side of Lake Monona adjacent to Law Park. No advertising signs or billboards shall be permitted upon the ski jump except two identification signs relating to Ski Team.

(3) Regulatory Buoys. Ski Team may place regulatory buoys required by Dane County or the Wisconsin Department of Natural Resources (WDNR) in the lake adjacent to Law Park.

(4) Bleachers. Ski Team may place and store up to four (4) bleachers in the Premises during the ski season. Additional bleachers may be permitted with the permission of the Park Superintendent or designee.

(5) Temporary Toilet. Ski Team shall provide at least one temporary toilet in the Premises for use by Ski Team members and the public when the Premises is being used by Ski Team. Ski Team shall be responsible for the costs of operating and maintaining the toilet.

(6) Other Improvements. Ski Team may place other improvements in the Premises with the prior written approval of the Park Superintendent or designee.

(7) Picnic Tables. The City Park Division will provide four (4) picnic tables in the vicinity of Ski Team ski shows at Law Park, which Ski Team may use.

c. Placement of Improvements. Permitted improvements may be placed no earlier than April 1 and removed no later than October 1 each year of the Agreement. Ski Team shall obtain any necessary Dane County or WDNR permits or approvals prior to placing any piers, buoys or the ski jump. Ski Team may store floating dock

sections at Law Park between October 1 and May 1. The placement of permitted improvements shall be at mutually agreed upon locations.

d. Construction. Ski Team agrees that the improvements shall be constructed in a workmanlike manner in conformity with all applicable codes and regulations and in accordance with specifications indicated on plans submitted to the Department of Natural Resources, if necessary.

e. Maintenance. Ski Team agrees to maintain the improvements, other than the picnic tables, in a safe condition and in conformity with all rules and regulations of City, Department of National Resources and State of Wisconsin. Ski Team will be responsible for mowing under and around bleachers stored at the Premises and are allowed to use walk behind mowers and/or string trimmers for this purpose. City shall have no obligation whatsoever regarding any structural repairs or maintenance of the bleachers, water ski jump or starting docks.

f. Improvement Restrictions. City shall have no responsibility to enforce any restrictions which Ski Team places on the use of the Ski Team's improvements, including the ski jump or the pier. Ski Team shall be solely responsible for any such enforcement.

g. Trash Removal. Ski Team shall clean up refuse at the Premises following each practice, show and special event. City shall provide five (5) trash barrels in the vicinity of the ski shows and shall remove all trash from the Premises.

h. Electrical Services. Ski Team shall provide and pay 100% of charges for electrical services. City shall not be responsible for any improvements to services nor any changes for said services. Any changes to electrical use, including addition of electrical service, must have prior approval and written notification from the Superintendent of Parks or designee. If Ski Team wishes to add electrical services in the future, Ski Team would pay for the expense.

i. Parking and Equipment. Ski Team may park two (2) equipment vehicles within Law Park from 8:00 am until one (1) hour after sunset from May 1 through September 15 for authorized practices and shows, within an approved area that is designated by sign and roped off. Ski Team will meet with Parks Division to review parking plan.

j. Powerboats. Ski Team shall confine operations of their powerboat(s) and Jet Ski to practice and performance times.

k. Additional City Sponsored or Permitted Events. Ski Team will allow other City-sponsored or permitted events access to the park, shoreline and launch. Examples of such events include Ride the Drive, Half Iron Man, etc. In granting any other park event permits for Law Park, City shall avoid any conflicts with Ski Team events or coordinate such uses to avoid conflicts.

l. Weapons Prohibition. Ski Team shall prohibit, and shall require its contractors and subcontractors to prohibit, its employees from carrying weapons, including concealed weapons, while using the Premises under this Agreement, except with the prior consent of the Parks Division.

m. Restoration of Premises. At the conclusion of each season of use, Ski Team shall ensure that the shoreline is returned to its pre-season condition as determined by the City Engineer and the Parks Division. At the City's option, Ski Team shall restore the shoreline at the Premises to its original condition or pay the City the cash equivalent of the actual cost of such restoration at the end of each season during the course of this Agreement, or at any time during the course of this Agreement if the City Engineer or the Parks Division deem it necessary. In addition, within thirty (30) days of the termination of this Agreement, Ski Team agrees to remove all of its equipment and property from the Premises and restore Premises to its pre-existing condition, unless written permission is granted by the Parks Superintendent to store the improvements at the Premises while a successor to this Agreement is negotiated. Ski Team acknowledges City shall be the sole judge of whether the Premises has been completely vacated and satisfactorily restored. At its option, the City may complete any removal of property and restoration of property it deems necessary and bill Ski Team for actual costs, or it may exercise any other lawful option.

n. Park Construction. Ski Team understands that, during the term of this Agreement, City may undertake construction or re-construction of all or portions of the Premises, which activities may make use of the Premises by Ski Team, or its invitees, impossible or unsafe. In the event of any park construction work that will involve the Premises, the City shall inform Ski Team and either party may exercise the termination clause in Section 9.c below.

4. Use Fee and Damage Deposit.

a. Use Fee. Ski Team shall pay to the City an annual use fee for the use of the Premises under this Agreement. The annual use fee shall be as follows:

2026	$950
2027	$975
2028	$1,000

Payment shall be due no later than May 31. Failure to pay the fee on time is a default under Section 9.

b. Damage Deposit. Ski Team will pay a $3000 damage deposit that will be held by the City for the duration of the Agreement. Any unused amount will be returned to Ski Team at the end of the Agreement. After each season, City will inspect the Premises and determine what repair or replacement, if any, is needed for the lawn cover and plantings. The City Parks Division Maintenance Supervisor or designee shall notify Ski Team within a reasonable time of its determination, but in no case

later than November 1st after each season, regarding repair or replacement of lawn cover and plantings. City shall undertake the repair or replacement of the lawn cover and plantings as it deems necessary and Ski Team agrees to reimburse City for all costs associated with such repair or replacement. Payment is due within thirty (30) days of the billing. Consistent with this subsection and in lieu of payment or partial payment to City, Ski Team may, with approval and under the supervision of the Parks Division Maintenance Supervisor, provide up to thirty (30) person hours of labor during and/or at the end of each season to repair any turf damage or to make other approved park improvements.

5. Advertising. It is understood that in the operation and conduct of this Agreement, City does not grant Ski Team the right to sell or distribute any goods or services provided by City, nor does City grant Ski Team the right to use a City trade name, trademark, logotype, advertising, or other commercial symbol without permission of the Park Superintendent or his or her designee. However, in any commercial advertisement or announcement, Ski Team may use the name of the City Park where the Premises is located.

6. Assignment and Subcontracting. Ski Team shall not assign this Agreement or any interest therein. Ski Team may not subcontract the use of Premises without prior written approval of the City.

7. Disclosures and Acknowledgement. With full and complete knowledge, Ski Team accepts Premises, and any improvements made thereto during the course of this Agreement, in an "as is" condition.

8. Indemnification and Insurance.

   a. Indemnification. Ski Team shall be liable to and hereby agrees to indemnify, defend and hold harmless the City of Madison, and its officers, officials, agents, and employees against all loss or expense (including liability costs and attorney's fees) by reason of any claim or suit, or of liability imposed by law upon the City or its officers, officials, agents or employees for damages because of bodily injury, including death at any time resulting therefrom, sustained by any person or persons or on account of damages to property, including loss of use thereof, arising from, in connection with, caused by or resulting from the Ski Team' acts or omissions in the performance of this Agreement, whether caused by or contributed to by the negligence of the City, its officers, officials, agents, or its employees.

   b. Hazardous Substances; Indemnification. User represents and warrants that its use of the Premises will not generate any hazardous substance, and it will not store or dispose on the Premises nor transport to or over the Premises any hazardous substance in violation of any applicable federal, state or local law, regulation or rule. User further agrees to hold the City harmless from and indemnify the City against any release of such hazardous substance and any damage, loss, or expense or liability resulting from such release including all attorneys' fees, costs and penalties incurred as a result thereof except any release caused by the sole negligence or intentional acts of the City, its employees or agents. "Hazardous

substance" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic radioactive substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules may be amended from time to time; and it shall be interpreted to include, but not be limited to, any substance which after release into the environment will or may reasonably be anticipated to cause sickness, death or disease or damage to or loss of use of real or personal property.

c. Insurance.

(1) Required Insurance. Ski Team will insure, and will require each subcontractor to insure, as indicated, against the following risks to the extent stated below. Ski Team shall not commence work under this Agreement, nor shall Ski Team allow any Subcontractor to commence work on its Subcontract, until the insurance required below has been obtained and corresponding certificate(s) of insurance have been approved by the City Risk Manager.

(a) Commercial General Liability. During the life of this Agreement, the Permittee shall procure and maintain Commercial General Liability insurance including, but not limited to, bodily injury, property damage, personal injury, and products and completed operations (unless determined to be inapplicable by the City of Madison's Risk Manager) in an amount not less than $1,000,000 per occurrence. This policy shall also provide contractual liability and watercraft liability for all of Ski Team's watercraft, whether motorized or not, in the same amount. Ski Team's coverage shall be primary and noncontributory, and list the City of Madison, its officers, officials, agents and employees as additional insureds. Permittee shall require all subcontractors under this Agreement (if any) to procure and maintain insurance meeting the above criteria, applying on a primary and noncontributory basis and listing the City of Madison, its officers, officials, agents and employees as additional insureds.

(b) Automobile Liability. Business Automobile Liability insurance covering owned, non-owned and hired automobiles with limits of not less than $1,000,000 combined single limit per accident. Ski Team shall require all subcontractors under this Agreement (if any) to procure and maintain insurance covering each subcontractor and meeting the above criteria. This insurance shall be required for the full term of the lease and the renewal period.

(c) Workers' Compensation. Statutory Workers' Compensation insurance as required by the State of Wisconsin. Ski Team shall also carry Employers Liability limits of at least $100,000 Each Accident,

$100,000 Disease – Each Employee, and $500,000 Disease – Policy Limit. Ski Team shall require all subcontractors under this Agreement (if any) to procure and maintain such insurance, covering each subcontractor.

(d) Umbrella Liability. Umbrella Liability coverage at least as broad as the underlying Commercial General Liability, Watercraft Liability, Business Automobile Liability and Employers Liability with minimum limits of $2,000,000 per occurrence and in the aggregate.

(e) Property Insurance. Ski Team shall be solely responsible for carrying personal property insurance sufficient to cover loss of all personal property on the Premises. Such personnel property includes, but is not limited to, Ski Team installations and equipment. The City shall not be liable for any damage to or loss of property of Ski Team or others located on the Premises except to the extent such damage or loss was caused by the City's sole negligence or willful act.

(2) Acceptability of Insurers. The above-required insurance is to be placed with insurers who have an A.M. Best rating of no less than A- (A minus) and a Financial Category rating of no less than VII.

(3) Proof of Insurance, Approval. The Club shall provide the City with certificate(s) of insurance showing the type, amount, class of operations covered, effective dates, and expiration dates of required policies prior to commencing work under this Agreement. Club shall provide the certificate(s) to the City's representative upon execution of the Agreement, or sooner, for approval by the City Risk Manager. The Club shall provide copies of additional insured endorsements or insurance policies, if requested by the City Risk Manager.

(4) Notice of Change in Policy. The Club and/or Insurer shall give the City thirty (30) days advance written notice of cancellation, non-renewal or material changes to any of the above-required policies during the term of this Agreement.

(5) Insufficient Coverage. In the event of expiration, material change, or cancellation of insurance required by this Agreement, Club shall immediately cease use of the Premises and the provision of the services under this Agreement until such time as proof of the required insurance is provided to the City Risk Manager consistent with the requirements of this Section.

(6) Risk Manager. All information required to be provided to the Risk Manager should be addressed as follows:

City of Madison

Attention: Risk Manager
210 Martin Luther King Jr. Blvd., Room 406
Madison, WI 53703-3345

9. Default and Termination.

a. In the event Ski Team shall default in any of the covenants, agreements, commitments, or conditions herein contained, or fails to fully perform and carry out any term or condition of this Agreement to the satisfaction of the City, and any such default shall continue unremedied for a period of ten (10) days after written notice thereof to Ski Team, the City may, at its option and in addition to all other rights and remedies which it may have at law or in equity against Ski Team, including expressly the specific enforcement hereof, forthwith have the cumulative right to immediately terminate this Agreement and all rights of Ski Team under this Agreement.

b. In the event that Ski Team shall violate any of the provisions of Section 3, the Superintendent of Parks may, in his/her sole discretion, and in addition to any other remedies which the City may have at law or in equity, including specific performance, suspend the use of Law Park and the adjacent water ski jumps by Ski Team for up to two weeks, and impose a security deposit requirement in an amount sufficient to pay the costs of City supervision and related costs necessary to enforce compliance with the provisions of Section 3.

c. Notwithstanding the above, either Party may terminate this Agreement for any reason at any time by mailing written notice of termination to the other with at least ten (10) days advance notice.

10. Binding on Parties; Amendments. This Agreement shall be binding on the parties hereto, their respective heirs, devisees and successors and cannot be varied or waived by any oral representations or promise of any agent or other person of the parties hereto unless the same be in writing signed by the duly authorized agent or agents who executed Agreement, except that for terms only affecting City and Ski Team, or where specifically set forth in this Agreement, only those Parties need enter into a written amendment of the terms of this Agreement for it to be effective.

11. Status of Parties. It is agreed that Ski Team is an independent contractor and not an employee or representative of the City, and that any persons who Ski Team utilizes and provides for services under this Agreement are employees or volunteers of Ski Team and are not employees or volunteers of the City of Madison. In addition, it is agreed that by granting Ski Team the right to use the Premises for the purposes set forth herein, that the City is not granting Ski Team the right to sell or distribute any City goods or services nor is there a community of interest, as that term is defined at Wis. Stat. Sec. 135.02(1), between the City and Ski Team arising from this Agreement. The Parties both acknowledge that this Agreement does not create a dealership under Wis. Stat. Ch. 135.

12. Notices. All notices required to be given under the terms of this Agreement shall be personally delivered or sent, postage prepaid, by depositing the same in United States mail addressed as follows:

City: Superintendent of Parks
City of Madison Parks Division
330 E. Lakeside St.
Madison, WI 53715

Ski Team: Cody Jaworski
6516 Monona Dr., #193
Monona, WI 53716

13. Title to be Retained by City. City shall retain title and ownership of Premises together with all buildings, fixtures and improvements thereon without any payment whatsoever to Ski Team.

14. Non-Discrimination. In the performance of the services under this Agreement the Club agrees not to discriminate against any employee or applicant because of race, religion, marital status, age, color, sex, handicap, national origin or ancestry, income level or source of income, arrest record or conviction record, less than honorable discharge, physical appearance, sexual orientation, gender identity, political beliefs, or student status. Club further agrees not to discriminate against any subcontractor or person who offers to subcontract on this Agreement because of race, religion, color, age, disability, sex, sexual orientation, gender identity or national origin.

15. Nondiscrimination Based on Disability. Ski Team shall comply with Section 39.05, Madison General Ordinances, "Nondiscrimination Based on Disability in City-Assisted Programs and Activities." Under Section 39.05(7) of the Madison General Ordinances, no City financial assistance shall be granted unless an Assurance of Compliance with Sec. 39.05 is provided by the applicant or recipient, prior to the granting of the City financial assistance. Under Section 39.05(3)(b)4, "City financial assistance" includes any arrangement by which the City provides or otherwise makes available assistance in the form of the lease of, and the permission to use, City property.

Ski Team assures that, in providing any service at the Premises, it shall not, directly or through contractual, licensing, or other arrangements, on the basis of disability:

a. Deny a qualified person with a disability the opportunity to participate in or benefit from the aid, benefit, or service;

b. Afford a qualified person with a disability an opportunity to participate in or benefit from the aid, benefit, or service, or the City facility, that is not equal to that afforded others;

c. Provide a qualified person with a disability with a City facility or an aid, benefit, or service that is not as effective as that provided to others;

d. Provide different or separate City facilities, or aid, benefits, or services to persons with a disability or to any class of persons with disabilities unless such action is necessary to provide qualified persons with a disability with City facilities, aid, benefits, or services that are as effective as those provided to others;

e. Aid or perpetuate discrimination against a qualified person with a disability by providing significant assistance to any agency, organization, or person that discriminates on the basis of disability in providing any aid, benefit, or service to beneficiaries of the recipient's program;

f. Deny a qualified person with a disability the opportunity to participate as a member of planning or advisory boards; or

g. Otherwise limit a qualified person with a disability in the enjoyment of any right, privilege, advantage, or opportunity enjoyed by others receiving an aid, benefit, or service from a recipient, or by others using City facilities.

Ski Team shall post notices in an accessible format to applicants, beneficiaries, and other persons, describing the applicable provisions of Sec. 39.05 of the Madison General Ordinances, in the manner prescribed by section 711 of the Civil Rights Act of 1964 (42 USCA Sec 2000e-10).

16. No Realty. It is expressly understood and agreed that this Agreement is not a lease or a conveyance of realty, but merely a granting to Ski Team the right to use the City's Premises for the purposes set forth herein. There is, therefore, no conveyance of any riparian rights to Ski Team, but only permission to make use of the riparian rights the City has as owner of the Premises.

17. Third Party Rights. This Agreement is intended to be solely between the parties hereto. No part of this Agreement shall be construed to add, supplement, amend, abridge or repeal existing rights, benefits or privileges of any third party or parties, including but not limited to employees of either of the parties.

18. Choice of Law and Forum Selection. This Agreement shall be governed by and construed, interpreted and enforced in accordance with the laws of the State of Wisconsin. The parties agree, for any claim or suit or other dispute relating to this Agreement that cannot be mutually resolved, the venue shall be a court of competent jurisdiction within Dane County, State of Wisconsin and the parties agree to submit themselves to the jurisdiction of said court, to the exclusion of any other judicial district that may have jurisdiction over such a dispute according to any law.

19. Compliance with the Law. Ski Team agrees to comply with all laws and ordinances of the United States, the State of Wisconsin, Dane County and the City of Madison, and shall obtain and keep in good standing all licenses and permits that may be necessary for its use of the Premises as set forth herein.

20. Entire Agreement. The entire agreement of the parties is contained herein and this Agreement supersedes any and all oral contracts and negotiations between the parties.

21. No Waiver. No failure to exercise, and no delay in exercising, any right, power or remedy hereunder on the part of the City or Ski Team shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. No express waiver shall affect any event or default other than the event or default specified in such waiver, and any such waiver, to be effective, must be in writing and shall be operative only for the time and to the extent expressly provided by the City or Ski Team therein. A waiver of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition.

22. Severability. It is mutually agreed that in case any provision of this Agreement is determined by any court of law to be unconstitutional, illegal or unenforceable, it is the intention of the parties that all other provisions of this contract remain in full force and effect.

23. Authority. Ski Team represents that it has the authority to enter into this Agreement and that the person signing on behalf of Ski Team represents and warrants that he or she has been duly authorized to bind Ski Team and sign this Agreement on Ski Team's behalf.

24. Counterparts; Electronic Delivery. This Agreement and any document executed in connection herewith may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute the same document. Signatures on this Agreement may be exchanged between the Parties by facsimile, electronic scanned copy (.pdf) or similar technology and shall be as valid as original; and this Agreement may be converted into electronic format and signed or given effect with one or more electronic signature(s) if the electronic signature(s) meets all requirements of Wis. Stat. ch. 137 or other applicable Wisconsin or Federal law. Executed copies or counterparts of this Agreement may be delivered by facsimile or email and upon receipt will be deemed original and binding upon the Parties hereto, whether or not a hard copy is also delivered. Copies of this Agreement, fully executed, shall be as valid as an original.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their proper officers on the day and year first above written.

MAD-CITY SKI TEAM, INC.

_____ _____

Cody Jaworski, President Date

FOR THE CITY OF MADISON

_____	_____
Satya Rhodes-Conway, Mayor	Date
_____	_____
Lydia A. McComas, City Clerk	Date

Countersigned:

_____	_____
David P. Schmiedicke, Finance Director	Date

Approved as to form:

_____	_____
Michael Haas, City Attorney	Date

Execution of this Agreement by City is authorized by Resolution Enactment No. RES-26-_____, ID No. _____, adopted by the Common Council of the City of Madison on _____, 2026 and approved by the Board of Parks Commissioners at its meeting on _____, 2026.

ATTACHMENT A

Map of Premises

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92901

File ID:	92901	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/28/2026
File Name:	4504 Warner Park Community Recreation Center NewBridge Lease			**Final Action:**	

Title: Authorizing the City's execution of a three-year lease agreement, with one subsequent three-year renewal term, between the City of Madison and NewBridge Madison, Inc., allowing for the use of a portion of the Warner Park Community Recreation Center for not-for-profit community services and related administrative use. (District 12)

Notes:

Sponsors:	Julia Matthews	**Effective Date:**	
Attachments:	Attachment - Lease.pdf	**Enactment Number:**	
Author:	Andy Miller, Real Estate Specialist	**Hearing Date:**	
Entered by:	cklawiter@cityofmadison.com	**Published Date:**	

History of Legislative File

Ver-sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Economic Development Division	04/28/2026	Referred for Introduction				
	Action Text: This Resolution was Referred for Introduction						
	Notes: Board of Park Commissioners (5/13/26), Finance Committee (5/11/26), Common Council (5/19/26)						
1	COMMON COUNCIL	05/05/2026	Refer	BOARD OF PARK COMMISSIONERS			Pass
	Action Text: A motion was made by Madison, seconded by Glenn, to Refer to the BOARD OF PARK COMMISSIONERS. The motion passed by voice vote/other.						
	Notes: Additional referral to Finance Committee.						
1	BOARD OF PARK COMMISSIONERS	05/05/2026	Refer	FINANCE COMMITTEE			
	Action Text: This Resolution was Refer to the FINANCE COMMITTEE						

Text of Legislative File 92901

Fiscal Note

The proposed resolution authorizes the execution of a three-year lease agreement with one subsequent three-year renewal term between the City of Madison and NewBridge Madison, Inc. to allow for use of a portion of the Warner Park Community Recreation Center for not-for-profit

community services and related administrative use. Projected annual revenue under the lease is $37,202 and subject to 3% annual increases. The total projected lease revenue if the lease and extension are executed is $240,635. The lease began in Sept 7, 2025 and is scheduled to end September 6, 2031 if the three-year extension is exercised. Lease revenue is allocated in the Parks Division's 2026 Adopted Operating Budget. Lease revenue for future years will be requested in future budget development processes. No City appropriation is required.

Title

Authorizing the City's execution of a three-year lease agreement, with one subsequent three-year renewal term, between the City of Madison and NewBridge Madison, Inc., allowing for the use of a portion of the Warner Park Community Recreation Center for not-for-profit community services and related administrative use. (District 12)

Body

WHEREAS, the City of Madison ("City") currently leases to NewBridge Madison, Inc. ("Lessee"), pursuant to the terms of a lease dated July 22, 2020, which lease is currently in hold over status since its final renewal term expired September 6, 2025, for a portion of Warner Park Community Recreation Center ("Leased Premises"), allowing for not-for-profit community services and related administrative use by the Lessee; and

WHEREAS, the Lessee desires to continue to occupy and use the Leased Premises under the terms of a new lease ("Lease"), attached to this resolution as Attachment - Lease, negotiated with the Lessee by City Parks and Office of Real Estate Services staff.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Clerk are authorized to execute the Lease with the Lessee, substantially, though not exclusively, on the terms and conditions detailed in the attached Lease.

BE IT FURTHER RESOLVED that the City's Common Council hereby authorizes the Mayor and City Clerk to execute, deliver and record the Lease and take any further action required to accomplish the purpose of this resolution in a form approved by the City Attorney.

ATTACHMENT - LEASE

(This document is a lease of less than 99 years and not a conveyance subject to Transfer Return and fee per Sec. 77.21(1) Wis. Stats.)

This Lease, entered into this 7th day of September, 2025, by and between the **City of Madison**, a municipal corporation, located in Dane County, Wisconsin (the "City"), and **NewBridge Madison, Inc.**, a Wisconsin non-stock corporation (the "Lessee").

W I T N E S S E T H:

WHEREAS, the City and the Lessee are parties (together, the "Parties") to that certain Lease dated July 22, 2020, and recorded July 22, 2020, as Document No. 5615921 with the Dane County Register of Deeds, and as renewed by First Notice of Lease Renewal dated September 6, 2022, recorded October 7, 2022, as Document No. 5866602 with the Dane County Register of Deeds (together, the "Old Lease"); and

WHEREAS, the Old Lease expires on September 6, 2025, with no remaining renewal options; and

WHEREAS, the Parties desire to terminate the Old Lease and enter into this Lease for the Lessee's continued use of Leased Premises.

Return to: City of Madison
Economic Development Division
Office of Real Estate Services
P.O. Box 2983
Madison, WI 53701-2983

Tax Parcel No.: 251-0809-361-0096-8

NOW, THEREFORE, the Old Lease is hereby terminated, and the Parties agree to the terms and conditions of this Lease as follows:

1. Leased Premises. The City hereby leases to the Lessee that part of the building commonly known as the Warner Park Community Recreation Center (the "Center"), located at 1625 Northport Drive, Madison, Wisconsin 53704, consisting of certain office space described below and depicted on the Attached Exhibit C (the "Leased Premises"), together with the nonexclusive use, in common with others entitled thereto of the "Common Areas" described in Paragraph 6. The Center is located on the real property (the "Property") legally described on attached Exhibit A and identified on attached Exhibit B.

   The Leased Premises consists of the office rooms within the Center bearing the following room numbers: 122, 124, 125, 126, and 127. These rooms comprise 1,410 square feet. The Leased Premises are designated on the Floor Plan Map attached as Exhibit C.

2. Term. This Lease shall be for an initial term of three (3) years, subject to early termination pursuant to the terms of this Lease. This Lease shall commence as of September 7, 2025 (the "Effective Date") and expire on September 6, 2028. The term "Lease Year" shall mean a full one (1) year period. The first Lease Year shall begin on the Effective Date. Each succeeding Lease Year shall begin on the anniversary of the Effective Date.

3. Rent and Rent Adjustments.

a. During the first year of the initial term of the Lease, the Lessee shall pay to the City rent ("Rent") for the Leased Premises at the rate of $37,201.53 per year, payable in equal monthly installments of $3,100.13.

b. Beginning on the first anniversary of the Effective Date of this Lease and on each anniversary date thereafter during the first three (3) Lease Years, the annual rental rate shall increase by three percent (3%) per year compounded annually. The Rent schedule for Lease Years one (1) through three (3) is as follows:

Initial Term			
Lease Year	Period	Annual Rental Rate	Monthly Rent
1	9/7/2025 – 9/6/2026	$37,201.53	$3,100.13
2	9/7/2026 – 9/6/2027	$38,317.58	$3,193.13
3	9/7/2027 – 9/6/2028	$39,467.11	$3,288.93

c. The first Rent payment shall be due at the time of execution of this Lease and subsequent payments shall be due on or before the first day of each month this Lease is in effect. Rent for any partial month shall be prorated on a per diem basis.

d. All payments are to be made payable to the City Treasurer and sent or personally delivered to the Economic Development Division at the address specified in Paragraph 27.

e. The Lessee shall pay to the City the sum of Two Hundred Fifty Dollars ($250) for each occasion on which Rent is not paid within ten (10) days of its due date. In addition, any Rent that is not paid within thirty (30) days of its due date shall accrue interest at the rate of twelve percent (12%) per annum from the due date until paid.

f. In addition to the provisions of Paragraph 3.e., the City shall have the right, under this Paragraph, to send late payments of Rent to a collection agency and to the Wisconsin Department of Revenue pursuant to the State Debt Collection program under Wis. Stat. §71.935.

4. Option to Renew. If, at the end of the initial term of this Lease, the Lessee is not in default under the terms and conditions of this Lease, then the Lessee shall have one (1) option to extend this Lease for an additional term of three (3) years (the "Renewal Term"), under the same terms and conditions provided in the original term of this Lease, except that Rent during the Renewal Term shall increase by three percent (3%) per year compounded annually, as set forth below. If the Lessee desires to renew this Lease, the Lessee must give notice in writing to the City a minimum of ninety (90) days prior to the expiration of the initial term, by the mailing of a notice by certified mail, return receipt requested, or by personal delivery to the City at the address specified in Paragraph 27.

Renewal Term			
Lease Year	Period	Annual Rental Rate	Monthly Rent
4	9/7/2028 – 9/6/2029	$40,651.12	$3,387.59
5	9/7/2029 – 9/6/2030	$41,870.65	$3,489.22

6	9/7/2030 – 9/6/2031	$43,126.77	$3,593.90

5. Use of Leased Premises. The Lessee will occupy and use the Leased Premises solely for the purpose of conducting the administrative needs of the Lessee's organization and for conducting the not-for-profit community services the Lessee's organization has undertaken, and activities related thereto, and for no other purposes whatsoever without the City's prior written consent, which consent the City may withhold in its sole discretion.

6. Common Areas. The City grants to the Lessee and the Lessee's employees, agents, customers, invitees, vendors, licensees, and contractors the right to use, in common with all others to whom the City has or may hereafter grant rights to use the same, the "Common Areas" located on the Property. The term "Common Areas" is defined as the parking area, sidewalks, driveway, interior hallways, restrooms, and all other areas or improvements which may be provided by the City for the common use or benefit of occupants of the Center.

   In addition, the Lessee's rights in the Common Areas shall, for the purpose of preparing and serving senior meals and conducting social programs, specifically include daily Monday through Friday use of the kitchen and Community Room No. 2 between the hours of 8:00 a.m. to 1:00 p.m., and Community Room No. 3 between the hours of 8:00 a.m. to 4:00 p.m., with the exception that priority use of Community Room No. 3 between 1:00 p.m. and 4:00 p.m. shall be given to MSCR Kids Camp and paid rentals. Furthermore, on no more than two (2) days in any given Lease Year the Lessee shall have the right to use, at no additional charge, Community Rooms No. 2 and 3 during the hours of 1:00 p.m. to 10:00 p.m. for the purpose of conducting special programs and activities for senior adults. In addition, the Lessee may reserve Community Rooms No. 2 and 3 during the hours of 1:00 p.m. to 10:00 p.m. for up to five (5) additional days, at a reduced rate of 50% of the normal rate approved by the Board of Park Commissioners, as posted on the Center's website, for the purpose of conducting special programs and activities for senior adults. The Lessee shall schedule such use in advance with the Center's Facility Manager.

   The City shall be responsible for the cleaning, maintaining and repairing the interior and exterior Common Areas including, but not limited to, snow and ice removal, striping of parking areas, and lawn and landscaping maintenance. Notwithstanding the foregoing, the Lessee shall be responsible for cleaning the floors, furniture, appliances, kitchen surfaces, and the dining furniture following each instance of the Lessee's use of the kitchen and Community Rooms No. 2 and No. 3 as described above. The Lessee shall, at its sole cost and expense, purchase all janitorial and custodial supplies and equipment needed for such cleaning activities, including, but not limited to, a vacuum cleaner. Prior to purchasing any janitorial or custodial supplies, Lessee agrees to get preapproval from City for such products and agrees to supply City with safety data sheets (SDS) for each product. The City reserves the right to control and manage the Common Areas in its sole discretion and to establish rules and regulations for the use thereof. Said control and management of the Common areas shall be under the authority of the Center's Facility Manager.

7. Special Conditions.

   a. The Lessee shall in no way encumber, or allow to be encumbered, the City's title to the Leased Premises.

b. No construction, modification, improvement, alteration, redecoration, or remodeling of the Leased Premises shall be undertaken without prior written approval of the City's Park Superintendent and any plans for any of the same are subject to written approval of the City's Park Superintendent. Any such construction, modification, improvement, alteration, redecoration, or remodeling shall remain for the benefit of the City, unless otherwise provided in such written approval. In all cases, the Lessee is responsible for following all applicable ordinances, codes, statutes, and laws, and obtaining all permits required for any construction activity.

c. The City authorizes the Lessee to use the appropriate tools and fasteners to attach temporary wall hangings and the like to the walls and ceilings. This authorization does not relieve the Lessee of responsibility for any damages that may result.

d. All personal property stored or kept by the Lessee on the Leased Premises shall be at the sole risk of the Lessee. City and its employees shall not be liable for any loss of or damage to any of Lessee's personal property arising from any cause whatsoever, including the negligence of the City or its employees.

e. Except as provided in this subparagraph, the Lessee shall not use, serve, drink, sell or keep on the Leased Premises alcoholic beverages of any kind whatsoever. In the event the Lessee is hosting an event and desires that alcoholic beverages be served, then the Lessee or the caterer it engages must comply with City alcohol licensing laws and requirements.

Persons who utilize the Center, including those who are participating in or attending the Lessee's services and events, are required to purchase an annual membership to the Center and present their WPCRC ID Card upon arrival at the Center. Notwithstanding the previous sentence, NewBridge Madison, Inc. members attending the Lessee's programming that occurs in the one-hour period prior to or directly after a lunch meal provided by the Lessee are not required to have a WPCRC ID Card to attend.

8. Assignment and Subletting. The Lessee shall not assign this Lease nor sublet the Leased Premises, or any portion thereof, without the prior written consent of the City, which consent the City may withhold at its sole discretion.

9. Liens.

a. The Lessee shall not suffer or permit any construction or mechanics' lien to be filed, or if filed, to remain uncontested, against the fee of the Leased Premises, nor against the Lessee's leasehold interest in the Leased Premises, by reason of work, labor, services or materials supplied or claimed to have been supplied to the Lessee or anyone holding the Leased Premises or any part thereof through or under the Lessee; and nothing contained herein shall be deemed or construed in any way as constituting the consent or request of the City, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvement, alteration or repair of or to the Leased Premises or any part thereof, nor as giving the Lessee any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any construction or mechanics' lien against the fee of the Leased Premises. If any such lien is filed, the Lessee shall immediately cause the same to be discharged or

released or shall upon request provide adequate and acceptable security or bond to protect the City's interest.

b. If any such construction or mechanics' lien shall at any time be filed against the Leased Premises, the Lessee covenants that it will promptly take and diligently prosecute appropriate action to have the same discharged by payment, bonding or otherwise, and that it will hold the City free and harmless of and from any and all liability to any contractor, subcontractor, materialman, laborer or any other person relating to or arising because of any improvements or alterations on or to the Leased Premises, and that it will also defend on behalf of the City, at the Lessee's sole cost and expense, any action, suit or proceeding which may be brought for the enforcement of any such lien, and that it will pay any damages and discharge any judgments entered therein. Upon the Lessee's failure to do any of the foregoing things, the City may take such action as may be reasonably necessary to protect the City's interest, in addition to any other right or remedy which it may have; and any amount paid by the City in connection with such action shall be repaid by the Lessee to the City upon demand, together with interest thereon at the rate of twelve percent (12%) per annum.

10. Maintenance, Repairs and Replacements.

a. The City shall keep the foundation; roof; electrical, plumbing and sewer systems; heating, ventilating and air conditioning system; exterior doors; window frames; windows and structural portions of the walls of the Leased Premises in good condition and repair and shall make any repairs/replacements required. Notwithstanding the foregoing, the Lessee shall be responsible for the cost and expenses of repairs/replacements required by reason of acts or omissions of the Lessee, the Lessee's employees, agents, invitees, vendors, licensees or contractors. The Lessee shall give the City written notice of the necessity for repairs/replacements coming to the attention of the Lessee, following which the City shall have a reasonable time to undertake and complete such repairs.

b. The City shall make all repairs and replacements necessitated by any peril covered by its property insurance policy, subject to the provisions of Paragraph 33.

c. The City shall be responsible for the cleaning and maintenance of the Common Areas and grounds of the Property, including but not limited to, snow and ice removal, striping of parking areas, and lawn and landscaping maintenance. The City shall also provide janitorial services for the Common Areas of the Center.

d. Except as provided in Paragraphs 10.a., 10.b. and 10.c. above, the Lessee shall keep the Leased Premises and every part thereof, and any fixtures, facilities or equipment contained therein, in good condition and repair and in a presentable condition consistent with good business practice and in a manner consistent with the preservation and protection of the general appearance and value of other premises in the immediate vicinity. The Lessee shall clean the Leased Premises and empty its trash and recyclables on a daily basis into the City's dumpsters at the Center. The Lessee shall, at its sole cost and expense, purchase all janitorial and custodial supplies and equipment needed for such cleaning activities, including, but not limited to a vacuum cleaner. Prior to purchasing any janitorial or custodial supplies, Lessee agrees to get preapproval from City for such products and agrees to supply City with safety data sheets (SDS) for each product.

e. The City authorizes the Lessee to use appropriate tools and fasteners to attach temporary wall hangings and the like to the walls and ceilings. This authorization does not relieve the Lessee of responsibility for any damages that may result.

11. Personal Property Taxes. The Lessee shall pay, before delinquency, all municipal, county and state or federal taxes assessed against any leasehold interest of the Lessee or any fixtures, furnishings, equipment, stock-in-trade or other of the Lessee's personal property of any kind owned, installed or used in or on the Leased Premises for the Lessee's sole benefit.

12. Utilities. The City shall provide the following utilities: heat, air conditioning, electricity, sewer, storm water, and water. The Lessee shall be responsible for arranging and paying for telephone, and internet services, and any other utilities it may require that are not otherwise listed in this paragraph.

13. Insurance by City.

a. Throughout the term of this Lease the City shall maintain at its cost property insurance as deemed advisable by the City insuring the Leased Premises and all appurtenances thereto (excluding the Lessee's inventory, trade fixtures, furniture, furnishings, equipment and personal property) for the full insurable replacement value.

b. In addition, the City shall maintain commercial general liability insurance, in an amount not less than $1,000,000 per occurrence.

14. Insurance by Lessee.

a. The Lessee shall carry commercial general liability insurance covering as insured the Lessee and naming the City, its officers, officials, agents and employees as additional insureds, with a minimum limit of $1,000,000 per occurrence as may be adjusted, from time to time, by the City of Madison's Risk Manager. This policy shall also be endorsed for contractual liability in the same amount, apply on a primary and noncontributory basis, and provide the City thirty (30) days advance written notice of cancellation, non-renewal or material changes to the policy during the term of this Lease. As evidence of this coverage, the Lessee shall furnish the City with a certificate of insurance on a form approved by the City, and, if requested by the City Risk Manager, the Lessee shall also provide copies of additional insured endorsements or policy. If the coverage required above expires while this Lease is in effect, the Lessee shall provide a renewal certificate to the City for approval.

b. The Lessee shall maintain, at its sole cost, throughout the Lease term and any extension thereof, personal property insurance in an amount to cover the Lessee's personal property located within the Leased Premises. Lessee shall also provide a waiver of subrogation in favor of the City for any damage to its personal property.

15. Indemnification. The Lessee shall be liable to and agrees to indemnify, defend and hold harmless the City, and its officers, officials, agents, and employees, against all loss or expense (including liability costs and attorney's fees) by reason of any claim or suit, or of liability imposed by law upon the City or its officers, officials, agents or employees for damages because

of bodily injury, including death at any time resulting therefrom, sustained by any person or persons or on account of damages to property, including loss of use thereof, arising from, in connection with, caused by or resulting from the acts or omissions of the Lessee or its officers, officials, members, agents, employees, assigns, guests, invitees, sublessees or subcontractors, in the performance of this Lease, whether caused by or contributed to by the negligence of the City, its officers, officials, agents, or employees. This paragraph shall survive termination and assignment or transfer of this Lease.

16. Hazardous Substances; Indemnification. The Lessee represents and warrants that its use of the Leased Premises will not generate any hazardous substance, and it will not store or dispose on the Leased Premises nor transport to or over the Leased Premises any hazardous substance in violation of any applicable federal, state or local law, regulation or rule. The Lessee further agrees to hold the City harmless from and indemnify the City against any release of such hazardous substance and any damage, loss, or expense or liability resulting from such release including all attorneys' fees, costs and penalties incurred as a result thereof. "Hazardous substance" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic radioactive substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules may be amended from time to time; and it shall be interpreted to include, but not be limited to, any substance which after release into the environment will or may reasonably be anticipated to cause sickness, death or disease or damage to or loss of use of real or personal property. This Paragraph shall survive termination and assignment or transfer of this Lease.

17. Compliance. The Lessee shall observe and promptly and effectively comply with all applicable statutes, rules, orders, ordinances, requirements and regulations of the City, the County of Dane, the State of Wisconsin, the federal government and any other governmental authority having jurisdiction over the Leased Premises. The Lessee may, if in good faith and on reasonable grounds, dispute the validity of any charge, complaint or action taken pursuant to or under color of any statute, rule, order, ordinance, requirement or regulation, defend against the same, and in good faith diligently conduct any necessary proceedings to prevent and avoid any adverse consequence of the same. The Lessee agrees that any such contest shall be prosecuted to a final conclusion as soon as possible and that it will hold the City harmless with respect to any actions taken by any lawful governmental authority with respect thereto.

18. Subordination.

    a. This Lease is subordinate to rights and privileges granted by the City to public and private utilities across, over or under the Leased Premises.

    b. The Lessee shall subordinate its rights in this Lease, without compensation, at the request of the City to provide rights, privileges, easements and rights-of-way for all current or future public and private utilities across or along the Leased Premises, provided that neither such subordination nor such easements shall interfere, except temporarily during construction or temporarily pursuant to rights which accrue to such easements or rights-of-way, with the use of the Leased Premises under the terms of this Lease.

19. Right of Entry. The City or its representatives shall have the right to enter upon the Leased Premises at any reasonable time for the following purposes:

a. To make any inspection it may deem expedient to the proper enforcement of any term or condition of this Lease or in the exercise of its municipal powers.

b. For the purpose of performing work related to any public improvement provided that the City or its representatives restore the Leased Premises to a condition equivalent to that which existed on the date the City initiated the installation of the public improvement.

20. Termination.

a. The City shall have the right, at its sole option, to declare this Lease void, terminate the same, reenter and take possession of the Leased Premises under the following conditions:

(1) By giving the Lessee a minimum of thirty (30) days' written notice of termination, upon or after any one of the following events:

i. The filing by the Lessee of a voluntary petition in bankruptcy.

ii. The institution of proceedings in bankruptcy against the Lessee and the adjudication of the Lessee as bankrupt pursuant to such proceedings.

iii. The taking by a court of competent jurisdiction of the Lessee's assets pursuant to proceedings brought under the provisions of any federal or state reorganization act.

iv. The appointment of a receiver of the Lessee's assets.

v. The divestiture of the Lessee's estate herein by other operation of law.

vi. The abandonment by the Lessee of the Leased Premises ,except in connection with its surrender to an assignee or other party succeeding to the Lessee's interest hereunder, subject to Paragraph 8.

vii. The use of the Leased Premises for an illegal purpose.

viii. The failure of the Lessee to pay when due any monetary sums due pursuant to the terms of this Lease.

ix. In the event the Lessee defaults in the performance of any other term or condition of this Lease.

The termination shall not be effective, if within such thirty (30) day period, the event giving rise to the City's right to terminate ceases to exist. In the event of a breach of a term, covenant or condition of this Lease which requires more than the payment of money to cure and which cannot, because of the nature of such default, be cured within said thirty (30) days, then the Lessee shall be deemed to be complying with such notice if, promptly upon receipt of such notice, the Lessee immediately takes steps to cure the default as soon as reasonably possible and proceeds thereafter

continuously with due diligence to cure the default within a period of time which, under all prevailing circumstances, shall be reasonable.

(2) In the event that the Lessee fails to maintain insurance as required by this Lease, the City may elect to: (a) immediately terminate this Lease and cause the removal of all personal property installed upon the Leased Premises at the sole expense of the Lessee; or (b) purchase or pay for any insurance coverage required by this Lease and charge the Lessee the cost of same as additional rent. Any amount paid by the City hereunder shall be repaid by the Lessee to the City upon demand, together with interest thereon at the rate of twelve percent (12%) per annum.

(3) For any other default on a term or condition of this Lease not described above, if such default is not a health or safety violation and cannot, because of the nature of the default, be cured within thirty (30) days notice of termination, then the Lessee shall be deemed to be complying with such notice if, promptly upon receipt of such notice, the Lessee immediately takes steps to cure the default as soon as reasonably possible and proceeds thereafter continuously with due diligence to cure the default within a period of time which, under all prevailing circumstances, shall be reasonable.

(4) By giving the Lessee a minimum of one hundred eighty (180) days written notice of termination in the event the Leased Premises, at the sole discretion of the City of Madison, are desired for any public use or purpose.

(5) If the whole or any part of the Leased Premises shall be taken by Federal, State, county, city, or other authority for public use, or under any statute, or by right of eminent domain, then when possession shall be taken thereunder of the Leased Premises, or any part thereof, the term hereby granted and all rights of the Lessee hereunder shall immediately cease and terminate, and the Lessee shall not be entitled to any part of any award that may be made for such taking, nor to any damages therefor.

Failure of the City to declare this Lease terminated upon the breach or default of the Lessee for any reason set forth in this Subparagraph 20.a. shall not operate to bar or destroy any right of the City to terminate this Lease for any subsequent breach or default of any term or condition of this Lease.

b. The Lessee shall have the right, at its sole option, to terminate this Lease by giving the City a minimum of one hundred eighty (180) days written notice of termination and by complying with Paragraphs 22 and 23.

21. No Waiver. Failure or delay on the part of either party to enforce any of the terms, covenants, conditions or agreements hereof shall not operate as a waiver thereof nor void or affect the right of the party to enforce the same upon any subsequent default or breach. Except as otherwise provided in this Lease, the rights and remedies herein granted are cumulative and are in addition to any given by statutes, rules of law or otherwise and the use of one remedy shall not be taken to exclude or waive the right to the use of another.

22. Rights Upon Expiration or Termination. Upon the expiration or termination of this Lease for any cause, the Lessee's rights in the Leased Premises shall cease, and the Lessee shall immediately surrender the Leased Premises, subject to the provisions of Paragraph 23.

23. Removal and Disposal of Personal Property. Upon the expiration or termination of this Lease, the Lessee shall remove all personal property from the Leased Premises. If the Lessee leaves any personal property on the Leased Premises, the City shall have the right to dispose of said property, without liability, thirty (30) days after the Lessee vacates or abandons the Leased Premises.

24. Hold Over. In the event the Lessee shall continue to occupy or use the Leased Premises after the expiration of this Lease or any extension thereof, such holding over shall be deemed to constitute an occupancy from month to month, upon the same terms and conditions as herein provided except that Rent equal to one-twelfth (1/12) of the annual Rent payable during the immediately preceding Lease Year, multiplied by two (2), shall be paid monthly in advance, and in no event shall the occupancy be deemed to be from one (1) year to one (1) year.

25. Definition of City and Lessee. The terms "City" and "Lessee" when used herein shall mean either singular or plural, as the case may be, and the provisions of this Lease shall bind the Parties mutually, their heirs, personal representatives, successors and assigns.

26. Authorized Agent. The City's Economic Development Division Director or the Director's designee is hereby designated as the official representative of the City for the enforcement of all provisions of this Lease, with authority to administer this Lease lawfully on behalf of the City.

27. Notices. All notices to be given under the terms of this Lease shall be signed by the person sending the same, and shall be sent by certified mail, return receipt requested and postage prepaid, to the address of the Parties specified below. Electronic mail may be sent to the email address provided below with an active read receipt and shall include a statement that the electronic mail constitutes notice under the terms of this Lease.

For the City:	City of Madison Economic Development Division Office of Real Estate Services Attn: Manager P. O. Box 2983 Madison, WI 53701-2983 Email: acmiller@cityofmadison.com and ores@cityofmadison.com
For the Lessee:	NewBridge Madison, Inc. Attn: Executive Director 1625 Northport Dr. Madison, WI 53704 Email: jimk@newbridgemadison.org

Any party hereto may, by giving five (5) days written notice to the other party in the manner herein stated, designate any other address in substitution of the address shown above to which notices shall be given.

28. Non-Discrimination. In the performance of its obligations under this Lease, the Lessee agrees not to discriminate because of race, religion, marital status, age, color, sex, disability, national origin or ancestry, income level or source of income, arrest record or conviction record, less than honorable discharge, physical appearance, sexual orientation, gender identity, political beliefs or student status. The Lessee further agrees not to discriminate against any contractor, subcontractor or person who offers to contract or subcontract for services under this Lease because of race, religion, color, age, disability, sex, sexual orientation, gender identity or national origin.

29. Accessibility. The Leased Premises shall conform where applicable to Chapter SPS 361.05 of the Wisconsin Administrative Code, Madison General Ordinances Section 39.05, and the Americans with Disabilities Act, regarding accessibility, with all costs of compliance to be paid by the Lessee.

30. Signs. Any signs within the Leased Premises shall be in conformity with the provisions of Chapter 31, Street Graphics Control, Madison General Ordinances. Signage for advertising purposes shall not be permitted.

31. Severability. If any term or provision of this Lease or the application thereof to the City or the Lessee or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such terms or provisions to the City or the Lessee or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforceable to the fullest extent permitted by law.

32. Entire Agreement. All terms and conditions with respect to this Lease are expressly contained herein, and the Parties agree that neither the City nor the Lessee has made any representations or promises with respect to this Lease not expressly contained herein. No alteration, amendment, change, or addition to this Lease shall be binding upon the Parties unless in writing and signed by them.

33. Damage and Destruction. In the event the Leased Premises is damaged by any peril covered by standard policies of fire and extended coverage insurance to an extent which is less than twenty-five percent (25%) of the cost of replacement of the Leased Premises, the damage shall, except as hereinafter provided, be repaired by the City, at the City's expense, but in no event shall the City be required to repair or replace the Lessee's stock-in-trade, trade fixtures, furniture, furnishings, equipment or personal property. In the event: (a) the Leased Premises is damaged to the extent of twenty-five percent (25%) or more of the cost of replacement of the Leased Premises; or (b) the Center is damaged to the extent of fifty percent (50%) or more of the cost of replacement, the City may elect either to repair or rebuild the Leased Premises, as the case may be, or to terminate this Lease upon giving notice of such election in writing to the Lessee within ninety (90) days after the event causing the damage. If the casualty, repairing or rebuilding shall render the Leased Premises untenantable, in whole or in part, a proportionate abatement of rent shall be allowed until the date the City completes the repairs or rebuilding, and the Lease term shall be extended for a period equal to the period of repair. If the City is required or elects to repair the Leased Premises, the Lessee shall repair or replace its stock-in-trade, trade fixtures, furniture, furnishings, equipment and personal property in a manner and to at least a condition equal to that prior to its damage or destruction, and the proceeds of all

insurance carried by the Lessee shall be held in trust by the Lessee for the purpose of such repair and replacement.

34. Lessee Waivers of Eminent Domain Benefits and Award.

a. In the event of the Lessee's vacation of the Leased Premises or if the City terminates this Lease pursuant to the provisions of this Lease, the Lessee hereby waives any rights against the City that may be construed to accrue to the Lessee, its successors and assigns, by provisions of Section 32.19 of the Wisconsin Statutes, as amended.

b. In the event the City condemns the Lessee's interest in the Leased Premises, the Lessee agrees that the award, including damages, for all of its interests shall be Zero Dollars ($0), and further waives all relocation benefits of every kind and nature**.**

c. In the event the Leased Premises or any part thereof shall be needed either permanently or temporarily for any public or quasi-public use or purposes by any authority in condemnation proceedings or by any right of eminent domain, the entire compensation award therefor, including, but not limited to, all damages and compensation for diminution of value of the leasehold, reversion and fee, shall belong to the City without any deduction therefrom for any present or future estate of the Lessee, and the Lessee hereby assigns to the City all of its right, title and interest to any such award. However, the Lessee shall have the right to recover from any condemning authority, other than the City, such compensation as may be separately awarded to the Lessee for moving and relocation expenses.

35. Public Record. This Lease will be recorded at the office of the Dane County Register of Deeds after it is executed by the Parties.

36. Choice of Law, Venue, and Forum Selection. This Lease shall be governed by and construed, interpreted, and enforced in accordance with the laws of the State of Wisconsin, without regard to conflict of law principles. For any claim or suit or other dispute relating to this Lease that cannot be mutually resolved informally, the venue shall be Dane County, Wisconsin, and the Parties agree to submit themselves to the jurisdiction of a court of competent jurisdiction in said venue, to the exclusion of any other forum that may have jurisdiction over such a dispute according to any law.

37. Counterparts, Electronic Signature and Delivery. This Lease may be signed in counterparts, each of which shall be taken together as a whole to comprise a single document. Signatures on this Lease may be exchanged between the Parties by facsimile, electronic scanned copy (.pdf) or similar technology and shall be as valid as original; and this Lease may be converted into electronic format and signed or given effect with one or more electronic signature(s) if the electronic signature(s) meets all requirements of Wis. Stat. ch. 137 or other applicable Wisconsin or Federal law. Executed copies or counterparts of this Lease may be delivered by facsimile or email and upon receipt will be deemed original and binding upon the Parties, whether or not a hard copy is also delivered. Copies of this Lease, fully executed, shall be as valid as an original.

IN WITNESS WHEREOF, the Parties have entered into this Lease as of the date first set forth above.

NEWBRIDGE MADISON, INC.,
A Wisconsin non-stock corporation

By: _____
James Krueger, Executive Director

Attest: _____

_____
(print or type name and title)

State of Wisconsin)
)ss.
County of Dane)

Personally came before me this ____ day of _____, 2026, James Krueger, Executive Director, of the above named NewBridge Madison, Inc., a Wisconsin non-stock corporation, known to be the person who executed the above foregoing instrument and officer of said corporation, and acknowledged that they executed the foregoing instrument as such officer as the deed of said corporation by its authority.

_____
Notary Public, State of Wisconsin

_____
Print or type name
My Commission: _____

Signatures continue on following page.

CITY OF MADISON

By: _____
Satya Rhodes-Conway, Mayor

By: _____
Lydia A. McComas, City Clerk

AUTHENTICATION

The signatures of Satya Rhodes-Conway, Mayor, and Lydia A. McComas, City Clerk, on behalf of the City of Madison, are authenticated on this ___ day of _____, 202__.

_____
Matthew Robles, Assistant City Attorney
Member of the Wisconsin Bar

Approved	**Date**	**Approved**	**Date**
_____	_____	_____	_____
David Schmiedicke, Finance Director		Eric Veum, Risk Manager	

Approved as to Form

_____ _____
Michael Haas, City Attorney

Execution of this Lease by the City of Madison is authorized by Resolution No. RES-__-_____, File ID No. _____, adopted by the Common Council of the City of Madison on _____ ___, 202__.

Drafted by the City of Madison Office of Real Estate Services. Project No. 4504

EXHIBIT A

Description of the Property:

A parcel of land located in portions of the NE ¼ of the NE ¼ and the NW ¼ of the NE ¼, Section 36, T8N, R9E, City of Madison, Dane County, Wisconsin, more particularly described as follows:

Commencing at the North ¼ corner of said Section 36; thence S89°30'01"E, 1,104.45 feet along the north line of said Section 36 to a point (Point A) on said north line which is north, as measured at right angles to said north line of Section 36, of a point (Point B) which has State Plane Coordinates of N413006.11 and E2168409.74 and is the center of a 55 foot turn-a-round radius and the center of the following described circle; thence S0°29'59"W, 804.04 feet to said Point B; thence West 290.00 feet to the **point of beginning**, said point being on the circumference of a circle having a radius of 290.00 feet and said Point B as its center; thence clockwise along said circumference of said circle 1,822.12 feet, more or less, to the **point of beginning**.

Said parcel contains 264,208 square feet or 6.07 acres, more or less, and is located within the City of Madison parkland known as Warner Park, as said parkland is located south of the southwesterly right-of-way line of Northport Drive (a/k/a State Highway 113).

Together with a permanent easement for vehicular and pedestrian ingress and egress on the existing drive which extends northeasterly from said above-described parcel to said Northport Drive, as shown on attached Exhibit B.

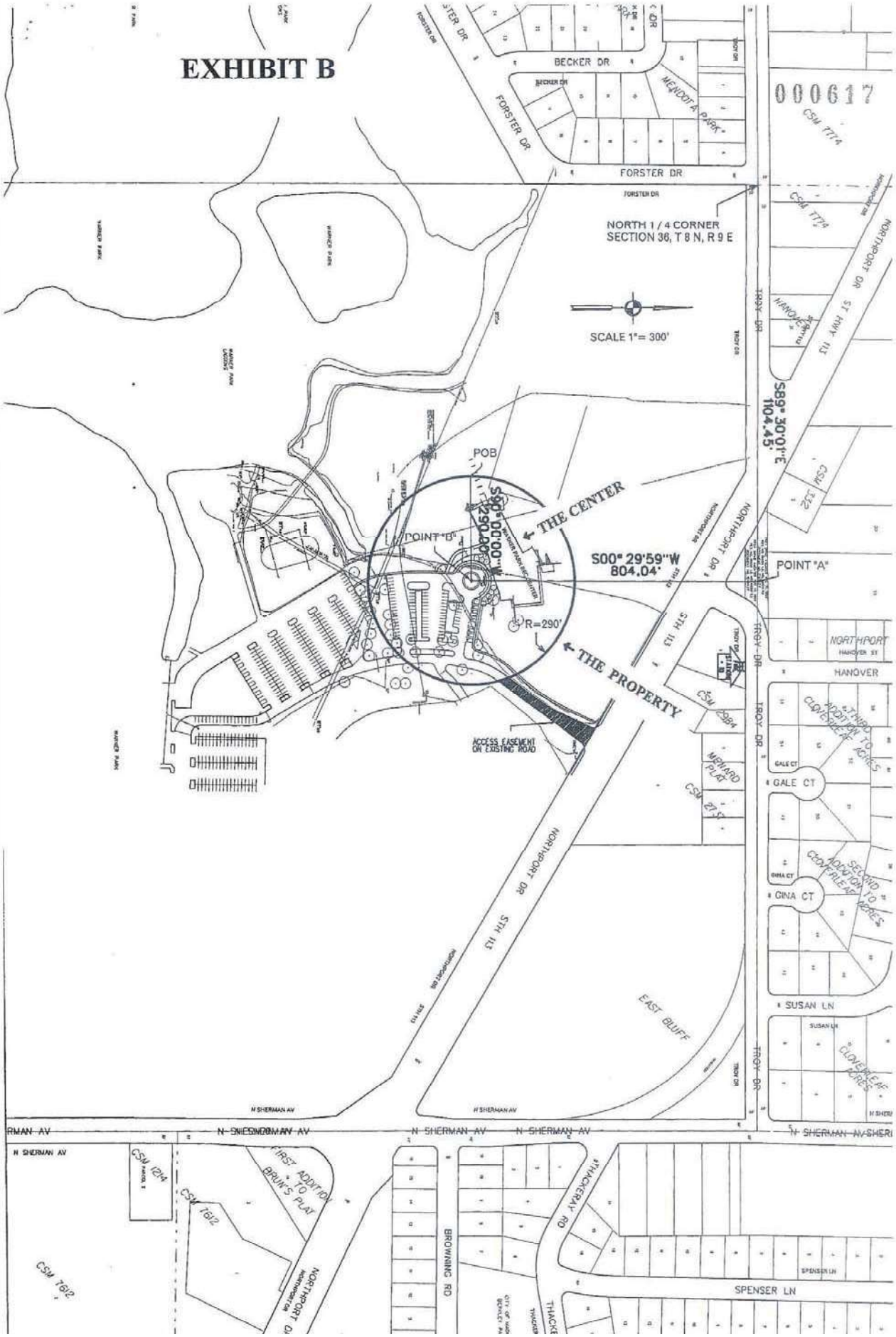
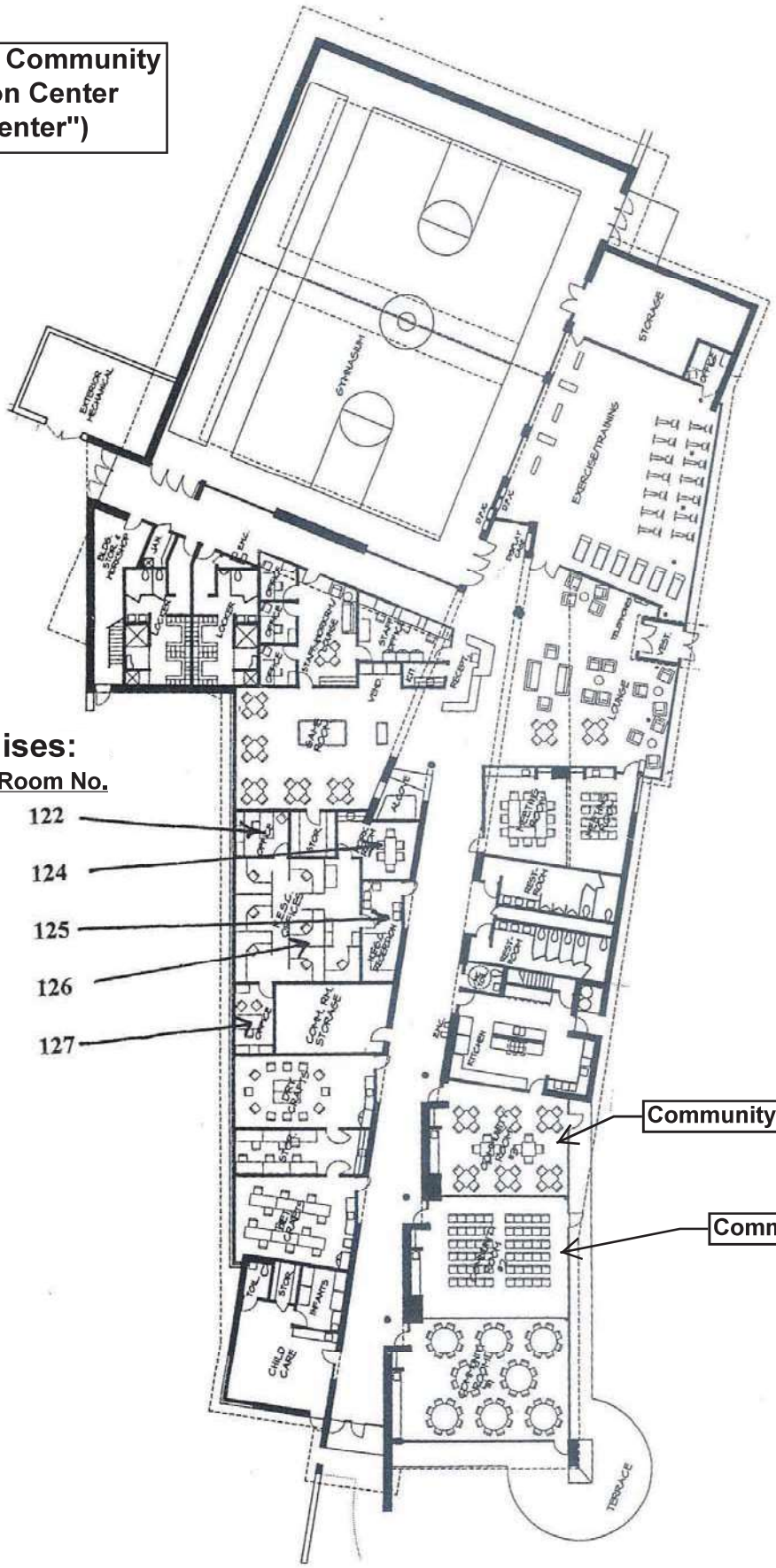


EXHIBIT B
000617
CSM 7774
BECKER DR
MENDOTA PARK
FORSTER DR
NORTH 1 / 4 CORNER
SECTION 36, T 8 N, R 9 E
SCALE 1"= 300'
S89° 30'01"E
1104.45'
POB
POINT "B"
THE CENTER
S89°30'01"E
290.00'
S00° 29'59"W
804.04'
POINT "A"
R=290'
THE PROPERTY
ACCESS EASEMENT
ON EXISTING ROAD
NORTHPORT DR STH 113
TROY DR
HANOVER
GALE CT
GINA CT
SUSAN LN
MENARD PLAT
CSM 2984
CSM 2715
EAST BLUFF
N SHERMAN AV
BROWNING RD
THACKERAY RD
SPENSER LN
CSM 7612
CSM 1214
FIRST ADDITION
BRUN'S PLAT

EXHIBIT C

Warner Park Community Recreation Center (the "Center")



Leased Premises:

Room No.

122

124

125

126

127

Community Room 3

Community Room 2

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92904

File ID:	92904	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/28/2026
File Name:	Madison Development Corp Small Cap TIF contract			**Final Action:**	

Title: Authorizing the Mayor and City Clerk to execute a sole service contract with Madison Development Corp. to administer a Small Cap TIF loan program to provide financial assistance to small businesses located within eligible Tax Increment Districts. (Citywide)

Notes:

Sponsors:	Sabrina V. Madison	**Effective Date:**	
Attachments:	MDC 2026-2029 Small Cap TIF Contract-Final.pdf, Non-Competitive Selection Request - Madison Development Corporation .pdf	**Enactment Number:**	
Author:	Saran Ouk, Business Resources Manager	**Hearing Date:**	
Entered by:	cklawiter@cityofmadison.com	**Published Date:**	

History of Legislative File

Ver-sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Economic Development Division	04/28/2026	Referred for Introduction				
	Action Text: This Resolution was Referred for Introduction						
	Notes: Finance Committee (5/11/26), Common Council (5/19/26)						
1	COMMON COUNCIL	05/05/2026	Refer	FINANCE COMMITTEE			Pass
	Action Text: A motion was made by Madison, seconded by Glenn, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.						

Text of Legislative File 92904

Fiscal Note

The proposed resolution authorizes a sole source contract with Madison Development Corp. to provide loan administration services to small businesses located within the boundaries of any TIDs (and if applicable, the Half-Mile Rule boundary of TIDs) that have included in their current or future project plans a Small Cap TIF program for small business assistance. No additional City appropriation is required.

MDC will market the program to eligible small business borrowers, conduct credit review and

underwriting, secure approval by its loan committee and submit a Loan Summary Report to the City that will be included in an authorizing resolution introduced to the Common Council referred to the Finance Committee and reported to Common Council for final consideration and approval.

MDC will charge loan service fees, paid with TIF proceeds, calculated as 15% of each Small Cap TIF loan authorized. Total MDC service fees for all Small Cap TIF services under this contract shall not exceed $300,000.

Title

Authorizing the Mayor and City Clerk to execute a sole service contract with Madison Development Corp. to administer a Small Cap TIF loan program to provide financial assistance to small businesses located within eligible Tax Increment Districts. (Citywide)

Body

WHEREAS on July 11, 2023 the City of Madison adopted RES 23-00470 authorizing the Mayor and City Clerk to execute a sole source service contract with Madison Development Corp. ("MDC") to administer a Small Cap TIF loan program (the "Program") to provide financial assistance to small businesses located within TID 51 (South Madison) and its Half Mile Rule boundary and to small businesses located within the TID boundaries of all TIDs created hereafter, including Half Mile Rule boundaries, that include a Small Cap TIF program for small business in their respective project plans; and,

WHEREAS, MDC is also currently contracted with the City to administer a Business Loan Program ("BLP") utilizing Community Development Block Grant (CDBG) funds; and,

WHEREAS, the loan underwriting and administration services provided through the existing MDC service contract for administration of the CDBG funds used in the BLP and the Program are consistent with the services required for administration of the Program going forward; and,

WHEREAS, this relationship meets the requirements of MGO 4.27(4)(a)(7) for an exception to the RFP process stating: "[a] particular consultant has provided services to the City on a similar or continuing project in the recent past, and it would be economical to the City on the basis of time and money to retain the same consultant"; and,

WHEREAS, the City of Madison adopted RES-25-00127 amending the 2025 Economic Development Division Capital Budget for TID #44 by $500,000 to fund small business development programs, amending the 2025 Economic Development Division Capital Budget for TID #46 by $750,000 to fund small business development programs, amending the 2025 Economic Development Division Capital Budget for TID #51 by $850,000 to fund small business development programs, thereby setting aside TIF funds to be used for the Program; and,

WHEREAS, the City wishes to continue the Program to assist small business development located within eligible TID designated areas and its Half-Mile Rule boundary, and to small businesses located within the TID boundaries of all TIDs created hereafter, including Half-Mile Rule boundaries, that include the Program for small business in their respective project plans; and,

WHEREAS, at loan closing, the City shall disburse an amount equal to fifteen percent (15%) of the principal amount of each Loan to MDC from Program funds for servicing and closing fees

and the aggregate of all loan fees disbursed from Program funds shall not exceed $300,000; and,

WHEREAS, the term of the contract shall run until December 31, 2029.

WHEREAS, the Program objectives include retaining and creating jobs within the TID Boundaries and its half-mile radius, renovating and expanding existing property, said objectives are a public purpose consistent with job creation objectives in the Comprehensive Plan and City of Madison TIF Policy; and,

WHEREAS, in addition to any other powers conferred by law, the City may exercise any power necessary and convenient to carry out the purpose of the TIF law, including the power to cause project plans to be prepared, to approve such plans, and to implement the provisions that effectuate the purpose of such plans.

NOW, THEREFORE, BE IT RESOLVED that the City hereby finds and determines that the Program, as described herein, is consistent with the public purposes, plans and objectives set forth in the TID Project Plans and demonstrates the potential to attract, retain and expand small businesses and create employment in these areas thereby making more likely an accomplishment of the public purpose objectives set forth in the Project Plans, the TIF Law and City TIF Policy.

BE IT FINALLY RESOLVED that the City hereby authorizes the Mayor and City Clerk to execute a sole source service contract with MDC, on substantially the same terms as described herein and in a form approved by the City Attorney.

CONTRACT INSTRUCTIONS

(REMOVE THIS PAGE BEFORE SIGNING CONTRACT)

FOR CITY STAFF: *The City Agency preparing this contract is responsible for these steps:*

- ☐ Complete the "City Use Only" box at the top of page 1.
- ☐ Complete sections 3, 4, 5, and the City part of 15. Review Sec. 4 carefully and follow instructions.
- ☐ Review final POS: make sure Contractor has completed all steps below, **before** you prepare PDF and **BEFORE** routing for City signatures. An incomplete contract will be rejected and not signed.
- ☐ All attachments & exhibits in sec. 3 must be attached to the final, clean contract to form a single PDF.
- ☐ City agency staff are responsible for these things:
  - Determine if contract requires a resolution, draft complete resolution,
  - Determine who will sign for the City (see signature page.)
  - Confirm COI (certificate of insurance) from contractor was delivered to Risk Management.
  - Obtain contractor signature on final, clean contract PDF with all exhibits attached.
  - Contracts signed by Mayor/Clerk – agency must enter contract into **Accela** for signatures.
  - Contracts signed by Purchasing – agency must enter contract in **Munis** with **Requisition**.
  - Return fully signed contract to Contractor, save a copy for yourself, monitor expiration date.

FOR CONTRACTOR: Please complete all steps below:

- ☐ Check one box at top of Page 1 to identify the correct type of business entity.
- ☐ Sections 3, 4, & 5 will be completed by the City and must be complete before you sign.
- ☐ Put a name in Sec. 8 – person responsible for administering the contract.
- ☐ **Affirmative Action:** Check the appropriate box in Sec. 13.B., Article IV, and complete the appropriate online form for the box you have checked:

  Affirmative Action compliance forms are at this link: www.cityofmadison.com/civil-rights/contract-compliance/affirmative-action-plan/vendors-suppliers. If you do not already have an approved, current Affirmative Action Plan on file with the City of Madison, read the *"Instructions for Completing City of Madison Affirmative Action Plan"* at the above link. This will direct you to register for an account. If you already have an account, select *"Affirmative Action Plan for Vendors and Suppliers"* and complete that form. If you have never filed a plan or request for exemption with Madison, you must create an account first. If you are exempt under Article IV box C or D, you still must create an account and complete some steps to confirm your exemption. Register for an account here: https://elam.cityofmadison.com/citizenaccess.

  Affirmative Action Questions? Contact Dept. of Civil Rights, Contract Compliance: (608) 266-4910.
- ☐ Complete Section 15 – Official Notices. This is a person or place for the City to send official legal notices to the Contractor (not the same as the person in 8).
- ☐ Section 27 –CERTIFICATE OF INSURANCE (COI) must be provided before City signs contract.
  Certificate Holder: City of Madison, Attn: Risk Manager
  210 Martin Luther King Jr. Blvd. Room 406, Madison, WI 53703

All insurance required by Section 27 must be shown on the certificate. Can use City's certificate at this link: https://www.cityofmadison.com/finance/documents/certinsurance.pdf

Email certificate to City Risk Management at certificates@cityofmadison.com and cc: your City contact person on the email. Call Risk Management at (608) 266-9668 with insurance questions.

- ☐ Signatures. Work with City to prepare a final clean PDF for signature. Contractor signs first, City signs last. Use any electronic method to sign where indicated and complete other fields for the Contractor signature. Email signed PDF to your City contact, unless otherwise instructed. City will sign last, and will email you an electronic signed copy unless otherwise requested.

For City Use Only:
Contract Expiration Date: 12/31/2029 Contract/Project Name: MDC Small Cap TIF
Does the contract include renewals? ☐ Yes ☒ No Are the renewals Automatic or Optional? ☐ Automatic ☐ Optional
No. of renewals: __ Duration of each renewal: _____

City of Madison
CONTRACT FOR PURCHASE OF SERVICES

1. **PARTIES.**
This is a Contract between the City of Madison, a Wisconsin municipal corporation ("City") and Madison Development Corporation ("Contractor").

The Contractor is a: (to be completed by contractor) ☒ Corporation ☐ Limited Liability Company ☐ General Partnership ☐ LLP ☐ Sole Proprietor ☐ Unincorporated Association ☐ Other: _____.

2. **PURPOSE.**
The purpose of this Contract is as set forth in Section 3.

3. **SCOPE OF SERVICES AND SCHEDULE OF PAYMENTS.**
Contractor will perform the following services and be paid according to the following schedule(s) or attachment(s):

Attachment A: Exhibit A

Order of Precedence: In the event of a conflict between the terms of this Contract for Purchase of Services and the terms of any document attached or incorporated herein, the terms of this Contract for Purchase of Services shall control and supersede any such conflicting term.

4. **TERM AND EFFECTIVE DATE.**
This Contract shall become effective upon execution by the Mayor, (or the Purchasing Agent, if authorized) on behalf of the City of Madison, unless another effective date is specified in the Attachment(s) incorporated in Section 3, however in no case shall work commence before execution by the City of Madison. The term of this Contract shall be: (*Select only one check box below and leave the others blank.)*

☒ from 1/1/2026 to 12/31/29.
☐ _____ year(s) from the date of final signature by the City.
☐ _____ months from the date of final signature by the City.
☐ _____ year(s) from (insert a hard start date).
☐ _____ months from (insert a hard start date).
☐ As set forth in (reference exhibit or attachment above and the section number of that document where the contract term is described.).

Add this language only if renewal terms have been agreed and authorized:

This contract may be renewed in writing, signed by authorized representatives of each party, for up to _____ of renewal terms of _____ year(s) each.

5. CONTRACT PRICE.
It is expressly understood and agreed that in no event will the total Contract price paid by the City exceed:

☒ a total of $300,000.
☐ The pricing set forth in (refer to an exhibit/attachment listed above).
☐ Other: (specify details here).

6. **BASIS FOR PAYMENT.**
A. GENERAL.
(1) The City will pay Contractor for completed and accepted services rendered and any goods or products under this Contract at the Contract Price set forth in Section 5. Such payment shall be full payment for services rendered and for all labor, material, supplies, equipment and incidentals necessary to complete the services. Payment in excess of the total Contract price will not be allowed unless authorized by a formal amendment signed by authorized representatives of both parties.
(2) **Payment Schedule:** The City will pay the Contractor in accordance with the schedule, if any, set forth in Section 3. Final payment of any balance due the Contractor will be made upon acceptance by the City of the services and any deliverables required by the Contract and upon receipt by the City of documents required to be returned or to be furnished by the Contractor.
(3) **Invoicing:** The Contractor shall submit invoices in a format approved by the City and as may be further specified in Section 3 of this Contract. Invoices shall include date(s) services are performed. If this Contract contains more than one product or service, invoices shall be itemized accordingly. The final invoice, if applicable, shall be submitted to the City in accordance with any agreed invoicing schedule but in no case later than thirty (30) days after completion of services and delivery of any goods.

(4) Payment shall not be construed as City acceptance of unsatisfactory or defective services or improper materials.
(5) The City has the equitable right to set off against any sum due and payable to the Contractor under this Contract, any amount the City determines the Contractor owes the City, whether arising under this Contract or under any other Contract or otherwise.
(6) The City will not compensate for unsatisfactory performance by the Contractor.

B. EXTRA SERVICES OR DECREASED SERVICES.
(1) The City may request, in writing, extra services or decreased services, as defined in Section 10 of this Contract. Unless the Contractor believes the extra services entitle it to extra compensation or additional time, the Contractor shall proceed to furnish the necessary labor, materials, and professional services to complete the services within the time limits, if any, specified in this Contract.
(2) If in the Contractor's opinion the order for extra service would entitle it to extra compensation or extra time, or both, the Contractor shall not proceed to carry out the extra service, but shall notify the City, pursuant to Section 15 of this Contract. The notification shall include the justification for the claim for extra compensation or extra time, or both, and the amount of additional fee or time requested.
(3) The City shall review the Contractor's submittal and respond in writing, either authorizing the Contractor to perform the extra service, or refusing to authorize it. The Contractor shall not receive additional compensation or time unless the extra compensation is authorized by the City in writing.

7. **ASSIGNABILITY/SUBCONTRACTING.**
Contractor shall not assign or subcontract any interest or obligation under this Contract without the City's prior written approval or unless expressly stated otherwise in an attachment incorporated in Section 3. Unless the City has expressly approved subcontracting, all of the services required hereunder will be performed by Contractor and employees of Contractor.

8. **DESIGNATED REPRESENTATIVE.**
Contractor designates Bryan Zaramba as Contract Agent with primary responsibility for the performance of this Contract. If the Contract Agent resigns, is replaced, or is no longer acting as Contract Agent for any reason, Contractor will notify the City in writing of the change, and propose a replacement Contract Agent within seven (7) calendar days. The City may accept another person as the Contract Agent or may terminate this Contract under Section 25, at its option.

9. **PROSECUTION AND PROGRESS.**
A. Services under this Contract shall commence upon written order from the City to the Contractor, which order will constitute authorization to proceed; unless another date for commencement is specified elsewhere in this Contract including documents incorporated in Section 3.
B. The Contractor shall complete the services under this Contract within the time for completion as specified in the attachment(s) listed in Section 3. The Contractor's services are completed when the City notifies the Contractor in writing that the services are complete and are acceptable. The time for completion shall not be extended because of any delay attributable to the Contractor, but it may be extended by the City in the event of a delay attributable to the City, or in the event of unavoidable delay caused by war, insurrection, natural disaster, or other unexpected event beyond the control of the Contractor. If at any time the Contractor believes that the time for completion of the work should be extended because of unavoidable delay caused by an unexpected event, or because of a delay attributable to the City, the Contractor shall notify the City as soon as possible, but not later than seven (7) calendar days after such an event. Such notice shall include any justification for an extension of time and shall identify the amount of time claimed to be necessary to complete the work.
C. Services by the Contractor shall proceed continuously and expeditiously through completion of each phase of the work.
D. Progress reports documenting the extent of completed services shall be prepared by the Contractor and submitted to the City with each invoice, and at such other times as the City may specify, unless another procedure is specified in Section 3.
E. The Contractor shall notify the City in writing when the services under this Contract have been completed. When the City determines that the services are complete and are acceptable, the City will provide written notification to the Contractor, acknowledging formal acceptance of the completed services.

10. **EXTRA SERVICES.**
The City may require the Contractor to perform extra services or decreased services, according to the procedure set forth in Section 6. Extra services or decreased services means services which are not different in kind or nature from the services called for in Section 3, but which may increase or decrease the quantity and kind of labor or materials or expense of performing the services. Extra services may not increase the total Contract price set forth in Section 5, unless the Contract is formally amended.

11. **NO WAIVER.**
No failure to exercise, and no delay in exercising, any right, power or remedy hereunder on the part of the City or Contractor shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. No express waiver shall affect any event or default other than the event or default specified in such waiver, and any such waiver, to be effective, must be in writing and shall be operative only for the time and to the extent expressly provided by the City or Contractor therein. A waiver of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition.

12. **NONDISCRIMINATION.**
During the term of this Contract, the Contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, marital status, age, color, sex, handicap, national origin or ancestry, income level or source of income, arrest record or conviction record, less than honorable discharge, physical appearance, sexual orientation, gender identity, political beliefs or student status. Contractor further agrees not to discriminate against any subcontractor or person who offers to subcontract on this Contract because of race, religion, color, age, disability, sex, sexual orientation, gender identity or national origin.

13. **AFFIRMATIVE ACTION.**

A. The following language applies to all contractors employing fifteen (15) or more employees (MGO 39.02(9)(c):

The Contractor agrees that, within thirty (30) days after the effective date of this Contract, Contractor will provide to the City of Madison Department of Civil Rights (the "Department"), certain workforce utilization statistics, using a form provided by the City.

If the Contract is still in effect, or if the City enters into a new Contract with the Contractor, within one year after the date on which the form was required to be provided, the Contractor will provide updated workforce information using a second form, also to be furnished by the City. The second form will be submitted to the Department no later than one year after the date on which the first form was required to be provided.

The Contractor further agrees that, for at least twelve (12) months after the effective date of this Contract, it will notify the Department of each of its job openings at facilities in Dane County for which applicants not already employees of the Contractor are to be considered. The notice will include a job description, classification, qualifications, and application procedures and deadlines, shall be provided to the City by the opening date of advertisement and with sufficient time for the City to notify candidates and make a timely referral. The Contractor agrees to interview and consider candidates referred by the Department, or an organization designated by the Department, if the candidate meets the minimum qualification standards established by the Contractor, and if the referral is timely. A referral is timely if it is received by the Contractor on or before the date stated in the notice.

The Department will determine if a contractor is exempt from the above requirements (Sec. 13.A.) at the time the Request for Exemption in 13.B.(2) is made.

B. Articles of Agreement, Request for Exemption, and Release of Payment:
The "ARTICLES OF AGREEMENT" beginning on the following page, apply to all contractors, unless determined to be exempt under the following table and procedures:

NUMBER OF EMPLOYEES	LESS THAN $50,000 Aggregate Annual Business with the City*	$50,000 OR MORE Aggregate Annual Business with the City*
14 or fewer	Exempt**	Exempt**
15 or more	Exempt**	Not Exempt

*As determined by the Finance Director **As determined by the Department of Civil Rights

(1) Exempt Status: In this section, "Exempt" means the Contractor is exempt from the Articles of Agreement in section 13.B.(5) of this Contract and from filing an Affirmative Action plan as required by Section IV of the Articles of Agreement. The Department of Civil Rights ("Department") makes the final determination as to whether a contractor is exempt. If the Contractor is not exempt, sec. 13.B.(5) shall apply and Contractor shall select option A. or B. under Article IV therein and file an Affirmative Action Plan.

(2) Request for Exemption – Fewer Than 15 Employees: (MGO 39.02(9)(a)2.) Contractors who believe they are exempt based on number of employees shall submit a Request for Exemption on a form provided by the Department within thirty (30) days of the effective date of this Contract.

(3) Exemption – Annual Aggregate Business: (MGO 39.02(9)(a)c.): The Department will determine, at the time this Contract is presented for signature, if the Contractor is exempt because it will have less than $50,000 in annual aggregate business with the City for the calendar year in which the contract is in effect. CONTRACTORS WITH 15 OR MORE EMPLOYEES WILL LOSE THIS EXEMPTION AND BECOME SUBJECT TO SEC. 13.B.(5) UPON REACHING $50,000 OR MORE ANNUAL AGGREGATE BUSINESS WITH THE CITY WITHIN THE CALENDAR YEAR.

(4) Release of Payment: (MGO 39.02(9)(e)1.b.) All non-exempt contractors must have an approved Affirmative Action plan meeting the requirements of Article IV below on file with the Department within thirty (30) days of the effective date of this Contract and prior to release of payment by the City. Contractors that are exempt based on number of employees agree to file a Request for Exemption with the Department within thirty (30) days of the effective date and prior to release of payment by the City.

(5) Articles of Agreement:

ARTICLE I

The Contractor shall take affirmative action in accordance with the provisions of this Contract to ensure that applicants are employed, and that employees are treated during employment without regard to race, religion, color, age, marital status, disability, sex, sexual orientation, gender identity or national origin and that the employer shall provide harassment-free work environment for the realization of the potential of each employee. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training including apprenticeship insofar as it is within the control of the Contractor. The Contractor agrees to post in conspicuous places available to employees and applicants notices to be provided by the City setting out the provisions of the nondiscrimination clauses in this Contract.

ARTICLE II

The Contractor shall in all solicitations or advertisements for employees placed by or on behalf of the Contractors state that all qualified or qualifiable applicants will be employed without regard to race, religion, color, age, marital status, disability, sex, sexual orientation, gender identity or national origin.

ARTICLE III

The Contractor shall send to each labor union or representative of workers with which it has a collective bargaining Agreement or other Contract or understanding a notice to be provided by the City advising the labor union or workers representative of the Contractor's equal

employment opportunity and affirmative action commitments. Such notices shall be posted in conspicuous places available to employees and applicants for employment.

ARTICLE IV

(This Article applies to non-public works contracts.)

The Contractor agrees that it will comply with all provisions of the Affirmative Action Ordinance of the City of Madison (MGO 39.02) including the Contract compliance requirements. The Contractor warrants and certifies that one of the following paragraphs is true **(check one):**

☐ A. Contractor has prepared and has on file an affirmative action plan that meets the format requirements of Federal Revised Order No, 4, 41 CFR part 60-2, as established by 43 FR 51400 November 3, 1978, including appendices required by City of Madison ordinances or it has prepared and has on file a model affirmative action plan approved by the Madison Common Council.

☐ B. Within thirty (30) days after the effective date of this Contract, Contractor will complete an affirmative action plan that meets the format requirements of Federal Revised Order No. 4, 41 CFR Part 60-2, as established by 43 FR 51400, November 3, 1978, including appendices required by City of Madison ordinance or within thirty (30) days after the effective date of this Contract, it will complete a model affirmative action plan approved by the Madison Common Council.

☐ C. Contractor believes it is exempt from filing an affirmative action plan because it has fewer than fifteen (15) employees and has filed, or will file within thirty (30) days after the effective date of this Contract, a form required by the City to confirm exempt status based on number of employees. If the City determines that Contractor is not exempt, the Articles of Agreement will apply.

☐ D. Contractor believes it is exempt from filing an affirmative action plan because its annual aggregate business with the City for the calendar year in which the contract is in effect is less than fifty thousand dollars ($50,000), or for another reason listed in MGO 39.02(9)(a)2. If the City determines that Contractor is not exempt, the Articles of Agreement will apply.

ARTICLE V

(This Article applies only to public works contracts.)

The Contractor agrees that it will comply with all provisions of the Affirmative Action Ordinance of the City of Madison, including the Contract compliance requirements. The Contractor agrees to submit the model affirmative action plan for public works Contractors in a form approved by the Director of Affirmative Action.

ARTICLE VI

The Contractor will maintain records as required by Section **39.02**(9)(f) of the Madison General Ordinances and will provide the City's Department of Affirmative Action with access to such records and to persons who have relevant and necessary information, as provided in Section 39.02(9)(f). The City agrees to keep all such records confidential, except to the extent that public inspection is required by law.

ARTICLE VII

In the event of the Contractor's or subcontractor's failure to comply with the Equal Employment Opportunity and Affirmative Action provisions of this Contract or Sections 39.03 and **39.02** of the Madison General Ordinances, it is agreed that the City at its option may do any or all of the following:

A. Cancel, terminate or suspend this Contract in whole or in part.
B. Declare the Contractor ineligible for further City contracts until the Affirmative Action requirements are met.
C. Recover on behalf of the City from the prime Contractor 0.5 percent of the Contract award price for each week that such party fails or refuses to comply, in the nature of liquidated damages, but not to exceed a total of five percent (5%) of the Contract price, or ten thousand dollars ($10,000), whichever is less. Under public works contracts, if a subcontractor is in noncompliance, the City may recover liquidated damages from the prime Contractor in the manner described above. The preceding sentence shall not be construed to prohibit a prime Contractor from recovering the amount of such damage from the noncomplying subcontractor.

ARTICLE VIII

(This Article applies to public works contracts only.)

The Contractor shall include the above provisions of this Contract in every subcontract so that such provisions will be binding upon each subcontractor. The Contractor shall take such action with respect to any subcontractor as necessary to enforce such provisions, including sanctions provided for noncompliance.

ARTICLE IX

The Contractor shall allow the maximum feasible opportunity to small business enterprises to compete for any subcontracts entered into pursuant to this Contract. (In federally funded contracts the terms "DBE, MBE, and WBE" shall be substituted for the term "small business" in this Article.)

14. **SEVERABILITY.**
It is mutually agreed that in case any provision of this Contract is determined by any court of law to be unconstitutional, illegal or unenforceable, it is the intention of the parties that all other provisions of this Contract remain in full force and effect.

15. **NOTICES.**
All notices to be given under the terms of this Contract shall be in writing and signed by the person serving the notice and shall be sent registered or certified mail, return receipt requested, postage prepaid, hand delivered to the addresses of the parties listed

below, or via email if the party has provided an email address for the purpose below. Email notices are presumed delivered on the date the email is sent by the sender.

FOR THE CITY:

Matthew Mikolajewski

(Department or Division Head)

215 Martin Luther King, Jr. Blvd., Suite 300

Madison, WI 53701

Email address if electing to receive notice via email:

FOR THE CONTRACTOR:

Lorrie Heinemann

550 West Washington Avenue

Madison, Wisconsin 53703

Email address if electing to receive notice via email:

16. **INDEPENDENT CONTRACTOR AND TAX INFORMATION.**
It is agreed that Contractor is an independent contractor and not an employee of the City, and any persons who the Contractor utilizes or provides for services under this Contract not employees of the City of Madison.

Contractor shall provide its taxpayer identification number (or social security number) to the Finance Director, 210 Martin Luther King Jr. Blvd, Room 406, Madison, WI 53703, prior to payment. The Contractor is informed that as an independent contractor, Contractor may have a responsibility to make estimated tax returns, file tax returns, pay income taxes and make social security payments on the amounts received under this Contract. No amounts will be withheld by the City for these purposes and payment of taxes and making social security payments are solely the responsibility and obligation of the Contractor. The Contractor is further informed that they may be subject to civil and/or criminal penalties if they fail to properly report income and pay taxes and social security taxes on the amount received under this Contract.

17. **GOODWILL.**
Any and all goodwill arising out of this Contract inures solely to the benefit of the City; Contractor waives all claims to benefit of such goodwill.

18. **THIRD PARTY RIGHTS.**
This Contract is intended to be solely between the parties hereto. No part of this Contract shall be construed to add, supplement, amend, abridge or repeal existing rights, benefits or privileges of any third party or parties, including but not limited to employees of either of the parties.

19. **AUDIT AND RETAINING OF DOCUMENTS.**
The Contractor agrees to provide all reports requested by the City including, but not limited to, financial statements and reports, reports and accounting of services rendered, and any other reports or documents requested. Financial and service reports shall be provided according to a schedule (when applicable) to be included in this Contract. Any other reports or documents shall be provided within five (5) working days after the Contractor receives the City's written requests, unless the parties agree in writing on a longer period. Payroll records and any other documents relating to the performance of services under the terms of this Contract shall be retained by the Contractor for a period of three (3) years after completion of all work under this Contract, in order to be available for audit by the City or its designee.

20. **CHOICE OF LAW, VENUE, AND FORUM SELECTION.**
This Contract shall be governed by and construed, interpreted, and enforced in accordance with the laws of the State of Wisconsin, without regard to conflict of law principles. For any claim or suit or other dispute relating to this Contract that cannot be mutually resolved informally, the venue shall be Dane County, Wisconsin, and the parties agree to submit themselves to the jurisdiction of a court of competent jurisdiction in said venue, to the exclusion of any other forum that may have jurisdiction over such a dispute according to any law.

21. **COMPLIANCE WITH APPLICABLE LAWS.**
The Contractor shall become familiar with, and shall at all times comply with and observe all federal, state, and local laws, ordinances, and regulations which in any manner affect the services or conduct of the Contractor and its agents and employees.

22. **CONFLICT OF INTEREST.**
A. The Contractor warrants that it and its agents and employees have no public or private interest, and will not acquire directly or indirectly any such interest, which would conflict in any manner with the performance of the services under this Contract.
B. The Contractor shall not employ or Contract with any person currently employed by the City for any services included under the provisions of this Contract.

23. **ENTIRE AGREEMENT.**
This Contract for Purchase of Services, including any and all attachments, exhibits and other documents referenced in Section 3 ("Agreement" or "Contract ") is the entire Contract of the parties and supersedes any and all oral contracts and negotiations between the parties. If any document referenced in Section 3 includes a statement that expressly or implicitly disclaims the applicability of this Contract for Purchase of Services, or a statement that such other document is the "entire agreement," such statement shall be deemed rejected and shall not apply to this Contract.

24. **AMENDMENT.**
This Contract shall be binding on the parties hereto, their respective heirs, devisees, and successors, and cannot be varied or waived by any oral representations or promise of any agent or other person of the parties hereto. Any change in any provision of this Contract may only be made by a written amendment, signed by the duly authorized agent or agents who executed this Contract.

25. **TERMINATION.**
A. In the event of a breach by the Contractor any of the covenants, agreements, commitments, or conditions of the Contract, if any such breach shall continue unremedied for a period of ten (10) days after written notice to Contractor, the City may, at its option and in addition to all other rights and remedies which it may have at law or in equity against Contractor, including expressly specific enforcement terminate this Contract and all rights of Contractor under this Contract.
B. Notwithstanding paragraph A., above, the City may in its sole discretion and without any reason terminate this Contract at any time by providing the Contractor not less than ten (10) days' written notice of termination. In the event of termination under this subsection, the City will pay for all work completed by the Contractor and accepted by the City through the effective date of the termination.

26. **INDEMNIFICATION.**
The Contractor shall be liable to and hereby agrees to indemnify, defend and hold harmless the City of Madison, and its officers, officials, agents, and employees against all loss or expense (including liability costs and attorney's fees) by reason of any claim or suit, or of liability imposed by law upon the City or its officers, officials, agents or employees for damages because of bodily injury, including death at any time resulting therefrom, sustained by any person or persons or on account of damages to property, including loss of use thereof, arising from, in connection with, caused by or resulting from the Contractor's and/or Subcontractor's acts or omissions in the performance of this Contract, whether caused by or contributed to by the negligence of the City, its officers, officials, agents, or its employees.

27. **INSURANCE.**
The Contractor will insure, and will require each subcontractor to insure, as indicated, against the following risks to the extent stated below. The Contractor shall not commence work under this Contract, nor shall the Contractor allow any Subcontractor to commence work on its Subcontract, until the insurance required below has been obtained and corresponding certificate(s) of insurance have been approved by the City Risk Manager.

Commercial General Liability
The Contractor shall procure and maintain during the life of this Contract, Commercial General Liability insurance including, but not limited to bodily injury, property damage, personal injury, and products and completed operations (unless determined to be inapplicable by the Risk Manager) in an amount not less than $1,000,000 per occurrence. This policy shall also provide contractual liability in the same amount. Contractor's coverage shall be primary and non-contributory and list the City of Madison, its officers, officials, agents and employees as additional insureds. Contractor shall require all subcontractors under this Contract (if any) to procure and maintain insurance meeting the above criteria, applying on a primary basis and listing the City of Madison, its officers, officials, agents and employees as additional insureds.

Automobile Liability
The Contractor shall procure and maintain during the life of this Contract Business Automobile Liability insurance covering owned, non-owned and hired automobiles with limits of not less than $1,000,000 combined single limit per accident. Contractor shall require all subcontractors under this Contract (if any) to procure and maintain insurance covering each subcontractor and meeting the above criteria.

Worker's Compensation
The Contractor shall procure and maintain during the life of this Contract statutory Workers' Compensation insurance as required by the State of Wisconsin. The Contractor shall also carry Employers Liability limits of at least $100,000 Each Accident, $100,000 Disease – Each Employee, and $500,000 Disease – Policy Limit. Contractor shall require all subcontractors under this Contract (if any) to procure and maintain such insurance, covering each subcontractor.

Professional Liability
The Contractor shall procure and maintain professional liability insurance with coverage of not less than $1,000,000. If such policy is a "claims made" policy, all renewals thereof during the life of the Contract shall include "prior acts coverage" covering at all times all claims made with respect to Contractor's work performed under the Contract. This Professional Liability coverage must be kept in force for a period of six (6) years after the services have been accepted by the City.

Acceptability of Insurers. The above-required insurance is to be placed with insurers who have an A.M. Best rating of no less than A- (A minus) and a Financial Category rating of no less than VII.

Proof of Insurance, Approval. The Contractor shall provide the City with certificate(s) of insurance showing the type, amount, effective dates, and expiration dates of required policies prior to commencing work under this Contract. Contractor shall provide the certificate(s) to the City's representative upon execution of the Contract, or sooner, for approval by the City Risk Manager. If any of the policies required above expire while this Contract is still in effect, Contractor shall provide renewal certificate(s) to the City for approval. Certificate Holder language should be listed as follows:

City of Madison
ATTN: Risk Management, Room 406
210 Martin Luther King, Jr. Blvd.
Madison, WI 53703

The Contractor shall provide copies of additional insured endorsements or insurance policies, if requested by the City Risk Manager. The Contractor and/or Insurer shall give the City thirty (30) days advance written notice of cancellation, non-renewal or material changes to any of the above-required policies during the term of this Contract.

28. **OWNERSHIP OF CONTRACT PRODUCT.**

All of the work product, including, but not limited to, documents, materials, files, reports, data, including magnetic tapes, disks of computer-aided designs or other electronically stored data or information (the "Documents"), which the Contractor prepares pursuant to the terms and conditions of this Contract are the sole property of the City. The Contractor will not publish any such materials or use them for any research or publication, other than as expressly required or permitted by this Contract, without the prior written permission of the City. The grant or denial of such permission shall be at the City's sole discretion.

The Contractor intends that the copyright to the Documents shall be owned by City, whether as author (as a Work Made For Hire), or by assignment from Contractor to City. The parties expressly agree that the Documents shall be considered a Work Made For Hire as defined by Title 17, United States Code, Section 101(2).

As further consideration for the City entering into this Contract, the Contractor hereby assigns to City all of the Contractor's rights, title, interest and ownership in the Documents, including the right to procure the copyright therein and the right to secure any renewals, reissues and extensions of any such copyright in any foreign country. The City shall be entitled to the sole and exclusive benefit of the Documents, including the copyright thereto, and whenever required by the City, the Contractor shall at no additional compensation, execute all documents of assignment of the full and exclusive benefit and copyright thereof to the City. Any subcontractors and other independent contractors who prepare portions of the Documents shall be required by the Contractor to execute an assignment of ownership in favor of the City before commencing work.

29. **BAN THE BOX - ARREST AND CRIMINAL BACKGROUND CHECKS.** (Sec. 39.08, MGO. Applicable to contracts exceeding $25,000.)

A. DEFINITIONS.

For purposes of this section, “Arrest and Conviction Record” includes, but is not limited to, information indicating that a person has been questioned, apprehended, taken into custody or detention, held for investigation, arrested, charged with, indicted or tried for any felony, misdemeanor or other offense pursuant to any law enforcement or military authority.

“Conviction record” includes, but is not limited to, information indicating that a person has been convicted of a felony, misdemeanor or other offense, placed on probation, fined, imprisoned or paroled pursuant to any law enforcement or military authority.

“Background Check” means the process of checking an applicant’s arrest and conviction record, through any means.

B. REQUIREMENTS. For the duration of this Contract, the Contractor shall:

(1) Remove from all job application forms any questions, check boxes, or other inquiries regarding an applicant’s arrest and conviction record, as defined herein.

(2) Refrain from asking an applicant in any manner about their arrest or conviction record until after conditional offer of employment is made to the applicant in question.

(3) Refrain from conducting a formal or informal background check or making any other inquiry using any privately or publicly available means of obtaining the arrest or conviction record of an applicant until after a conditional offer of employment is made to the applicant in question.

(4) Make information about this ordinance available to applicants and existing employees, and post notices in prominent locations at the workplace with information about the ordinance and complaint procedure using language provided by the City.

(5) Comply with all other provisions of Sec. 39.08, MGO.

C. EXEMPTIONS: This section does not apply when:

(1) Hiring for a position where certain convictions or violations are a bar to employment in that position under applicable law, or

(2) Hiring a position for which information about criminal or arrest record, or a background check is required by law to be performed at a time or in a manner that would otherwise be prohibited by this ordinance, including a licensed trade or profession where the licensing authority explicitly authorizes or requires the inquiry in question.

To be exempt under sec. C.(1) or (2) above, Contractor must demonstrate to the City that there is a law or regulation that requires the hiring practice in question. If so, the contractor is exempt from this section for the position(s) in question.

30. **WEAPONS PROHIBITION.**

Contractor shall prohibit, and shall require its subcontractors to prohibit, its employees from carrying weapons, including concealed weapons, in the course of performance of work under this Contract, other than while at the Contractor’s or subcontractor’s own business premises. This requirement shall apply to vehicles used at any City work site and vehicles used to perform any work under this Contract, except vehicles that are an employee’s “own motor vehicle” pursuant to Wis. Stat. sec. 175.60(15m).

31. **IT NETWORK CONNECTION POLICY.**

If this Contract includes software or technology services that require a Network Connection the City Network (as defined in the following link), the City’s Network Connection Policy found at this link: https://www.cityofmadison.com/attorney/documents/posNetworkConnection.docx is hereby incorporated and made a part of this Contract and Contractor agrees to comply with all of its requirements.

32. **AUTHORITY.**
Contractor represents that it has the authority to enter into this Contract. If the Contractor is not an individual, the person(s) signing on behalf of the Contractor represents and warrants that they have been duly authorized to bind the Contractor and sign this Contract on the Contractor's behalf.

33. **COUNTERPARTS, ELECTRONIC SIGNATURE AND DELIVERY.**
This Contract may be signed in counterparts, each of which shall be taken together as a whole to comprise a single document. Signatures on this Contract may be exchanged between the parties by facsimile, electronic scanned copy (.pdf) or similar technology and shall be as valid as original; and this Contract may be converted into electronic format and signed or given effect with one or more electronic signature(s) if the electronic signature(s) meets all requirements of Wis. Stat. ch. 137 or other applicable Wisconsin or Federal law. Executed copies or counterparts of this Contract may be delivered by facsimile or email and upon receipt will be deemed original and binding upon the parties hereto, whether or not a hard copy is also delivered. Copies of this Contract, fully executed, shall be as valid as an original.

IN WITNESS WHEREOF, the parties hereto have set their hands at Madison, Wisconsin.

CONTRACTOR:

Madison Development Corporation
(Type or Print Name of Contracting Entity)

By: _____
(Signature)

_____
(Print Name and Title of Person Signing)

Date: _____

CITY OF MADISON, WISCONSIN
a municipal corporation:

By: _____
Satya Rhodes-Conway, Mayor

Date: _____

Approved:

_____
David P. Schmiedicke, Finance Director

Date: _____

By: _____
Lydia A. McComas, City Clerk

Date: _____

Approved as to Form:

_____
Eric T. Veum, Risk Manager

Date: _____

_____
Michael Haas, City Attorney

Date: _____

For City Use Only: SIGNATURE INSTRUCTIONS FOR CONTRACTS SIGNED BY MAYOR/CLERK:
Obtain contractor's signature first. Route this contract with all of its attachments for City signatures using Accela. Provide authorizing resolution and Certificate of Insurance as instructed in Accela.

NOTE: Certain service contracts may be executed by the designee of the Finance Director on behalf of the City of Madison:

By: _____
Mary Richards, Procurement Supervisor

Date: _____

MGO 4.26(3) and (5) authorize the Finance Director or designee to sign purchase of service contracts when all of the following apply:
(a) The funds are included in the approved City budget.
(b) An RFP or competitive process was used, or the Contract is exempt from competitive bidding by 4.26(4)(a) (contracts up to $75,000 in total or up to $75,000 per year for software and technology services are exempt).
(c) The City Attorney has approved the form of the Contract.
(d) The Contract complies with other laws, resolutions and ordinances.
(e) The Contract is for a period of 1 year or less, OR not more than 5 years AND the average cost is not more than $100,000 per year, AND was subject to competitive bidding when required by 4.26(4)(a). (If over $75,000 and exempt from bidding under 4.26(4)(a), regardless of duration, the Common Council must authorize the Contract by resolution and the Mayor and City Clerk must sign, per 4.26(5)(b).)

Emergency Service contracts may also be signed by the designee of the Finance Director if the requirements of MGO 4.26(3)(c) are met.

For City Use Only: SIGNATURE INSTRUCTIONS FOR CONTRACT TO BE SIGNED BY FINANCE (PURCHASING):
Obtain contractor's signature first. Attach the contractor-signed contract with all attachments/exhibits and the certificate of insurance to the requisition in MUNIS.

Exhibit A
Scope of Services

1) Marketing and Prospect Qualification. With assistance from the City of Madison Office of Business Resources (OBR), MDC shall market the City's Small Cap TIF program (the "Program") to eligible small businesses located within tax increment districts (TIDs) with funds allocated for the Program. MDC shall qualify all Borrowers for Program eligibility and credit-worthiness.

2) MDC Loan Committee Credit Review and Required Documentation. Loan documentation shall be prepared by MDC staff utilizing the current boilerplate forms on file. MDC shall present qualified, credit-worthy loan proposals to its loan committee, comprised of MDC board members and private-sector commercial lending officers from area financial institutions for credit review. Such loan proposals shall include at minimum the following documentation concerning the Borrower:

   - A statement of the purpose of the loan and the use of funds.
   - A brief history of the business.
   - Brief bios of Board members and key staff people.
   - Financial Statements for the three years immediately preceding an application consisting of:
     - Balance Sheet
     - Income Statement
     - Applicable Footnotes
     - Financial Statements
   - A schedule of existing debt and a valuation of available collateral.
   - An aging of accounts receivable and accounts payable.
   - Financial projections of income/expenses and cash flow of the proposed project.
   - A statement of the job retention and creation.

3) Loan Summary Report to City of Madison. Upon MDC Loan Committee approval, MDC shall provide City staff with a Loan Summary Report of the credit analysis and recommendation. The report shall include a summary of the analysis of the proposal detailing key ratios such as Borrower's debt to net worth, current ratio, debt coverage, and any irregularities in the Borrower's performance and profitability over time and in comparison to industry standards.

4) Common Council Authorization. City staff shall attach the Loan Summary Report to an authorizing resolution introduced to the Common Council, referred to the Finance Committee and reported to Common Council for final consideration.

5) Loan Closing, Servicing, Cost and Fees. At Loan closing, the City shall disburse an amount equal to fifteen percent (15%) of the principal amount of each Loan to MDC from Program funds for servicing and closing fees. The aggregate (15%) of all such

Loan fees disbursed from Program funds shall not exceed $300,000. There are no closing fees on the Loan paid by the Borrower.

6) Documents. MDC shall coordinate efforts with the City Attorney's office staff to draft and execute loan security documents to the City of Madison's satisfaction.

7) Loan Servicing. MDC shall service all loans made through the Program to determine ongoing credit quality and ensure the Borrower's conformance to Program requirements annually.

8) Loan Default Notification. MDC shall notify the City of Madison City Attorney of any default of the loan agreement made by the Borrower within fifteen (15) days.

Finance Department
Purchasing Services
David P. Schmiedicke, Director
City-County Building, Room 406
210 Martin Luther King, Jr. Blvd.
Madison, WI 53703
Phone: (608) 266-4521 | Fax: (608) 267-5948
purchasing@cityofmadison.com
cityofmadison.com/finance/purchasing

Accounting Services Manager
Patricia A. McDermott, CPA
Budget & Program Evaluation Manager
Christine Koh
Internal Audit & Grants Manager
Kolawole Akintola
Risk Manager
Eric Veum
Treasury & Revenue Manager
Craig Franklin, CPA

Non-Competitive Selection Request

Requisition Number

Fund
1420 TAX INCREMENT DISTRICTS

Major
548** Grants/Loans/Insurance/Other Services

Agency
Economic Development

Total Purchase Amount
$ 300,000.00

Vendor Name
Madison Development Corporation

Product/Service Description
Marketing, underwriting and loan servicing for Small Cap TIF program.

Exception Criteria
2. The services or goods required are available from only one person or firm (i.e., true sole source).

Reason For Request
There is no other agency that has familiarity with TIF regulations and other City programs that might be used in combination for small business assistance. Madison Development Corporation has administered the City's Small Cap TIF program since 2019 and has provided similar loan services using CDBG Federal funds for the business loan program.

Requestor
Ouk, Saran

Comments
The City of Madison has paid Madison Development Corp a total of $11,614,703 since 2015. It is broken down as follows:

CDBG		Loans:		$6,920,938
CDBG	Community	Agency	Contracts:	$1,895,416
Section	8	Housing	Payments:	$1,843,299
Grants:				$867,000
Non-Competitively		Selected	Services:	$83,250

Purchases Under the Threshold for Competitive Selection: $4,800

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92909

File ID:	92909	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/28/2026
File Name:	13107 Wash Franklin LLC TIF Loan			**Final Action:**	

Title: Authorizing the Mayor and City Clerk to execute a development agreement to fund a $1,666,000 Tax Incremental Finance Loan that was authorized in the 2026 EDD Capital Budget in (TID 53) to Wash Franklin, LLC, or its assigns to construct approximately 222 units of affordable housing and approximately 68 parking stalls located at 501 E. Washington Avenue in a proposed boundary amendment to Tax Incremental District (TID) 53 (District 6)

Notes:

Sponsors:	Davy Mayer And Satya V. Rhodes-Conway	**Effective Date:**	
Attachments:	13107 501 E. Washington (Wash Franklin LLC) TIF Report 3-25-26 FINAL.docx	**Enactment Number:**	
Author:	Terrell Nash, Real Estate Development Specialist	**Hearing Date:**	
Entered by:	cklawiter@cityofmadison.com	**Published Date:**	

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Economic Development Division	04/28/2026	Referred for Introduction				
	Action Text: This Resolution was Referred for Introduction						
	Notes: Finance Committee (5/11/26), Common Council (5/19/26)						
1	COMMON COUNCIL	05/05/2026	Refer	FINANCE COMMITTEE			Pass
	Action Text: A motion was made by Madison, seconded by Glenn, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.						

Text of Legislative File 92909

Fiscal Note

The proposed resolution authorizes a $1,666,000 loan to Wash Franklin, LLC, or its assigns ("Developer"). Funding for this project is available in the Economic Development Division's 2026 Adopted Capital Budget in the TID 53 program (#99016). No additional appropriation required.

The Project consists of approximately 222 affordable apartment units, and approximately 68

parking stalls at a total cost of $80,931,000 ("Project"). The TIF Loan would be repaid through incremental taxes generated by the Project and represents 55% of the present value of all incremental taxes anticipated from the Project over the TID's remaining 18-year life. The Developer shall seek additional non-TIF funding for the balance of the $5,057,000 financing gap.

While it is anticipated that the incremental taxes generated by the Project will be sufficient to repay the loan within approximately 9 years, the Developer is required to guaranty a minimum payment if sufficient future tax increment is not available. The increment guarantee is secured by a subordinated mortgage on the property. The TIF Loan also requires that Developer be prohibited from selling or transferring the Property prior to repayment of the TIF Loan. If the Developer sells or transfers the Property to a tax-exempt entity, the Buyer shall pay an annual payment in lieu of taxes (PILOT) in the amount of the property tax paid as of the date of sale, frozen, until 2050.

Title

Authorizing the Mayor and City Clerk to execute a development agreement to fund a $1,666,000 Tax Incremental Finance Loan that was authorized in the 2026 EDD Capital Budget in (TID 53) to Wash Franklin, LLC, or its assigns to construct approximately 222 units of affordable housing and approximately 68 parking stalls located at 501 E. Washington Avenue in a proposed boundary amendment to Tax Incremental District (TID) 53 (District 6)

Body

WHEREAS the City of Madison amended the Project Plan and Boundary of TID #53 (Wilson Street) in 2025; and

WHEREAS the intent and purpose of the Project Plan, among other things, is to eliminate blighting conditions and encourage development of a wide range of commercial and housing options and attract and retain business and employment in the City of Madison; and

WHEREAS Wash Franklin, LLC, or its assigns, ("Developer") has proposed to construct approximately 222 affordable housing units and 68 underground parking stalls on the Property at a total estimated development cost of approximately $80,923,000 ("Project") located at 501 E. Washington Avenue, formerly known as the Wisconsin Manufacturers and Commerce building in the City of Madison and within the amended boundary of TID #53 (Wilson Street) boundary ("Property"); and

WHEREAS City staff has conducted an analysis (See Attached Report) of the Project and has determined a gap to be approximately $5,057,000 such that, but for TIF assistance, the Project could not occur; and

WHEREAS, $1,666,000 of TIF assistance to the Project represents approximately 55% of the present value of the estimated tax incremental revenues generated by the Project, in conformance to TIF Policy that no more than 55% be made available to a project ("55% Gateway") without Finance Committee prior authorization; and

WHEREAS, the Economic Development Division's 2026 Adopted Capital Budget includes $1,666,000 of TID-supported GO Borrowing in the TID 53 capital program (#99016) to support a TIF loan for development at 501 E Washington Ave.; and

WHEREAS, in addition to any other powers conferred by law, the City may exercise any power necessary and convenient to carry out the purpose of the TIF law, including the power to cause project plans to be prepared, to approve such plans, and to implement the provisions that effectuate the purpose of such plans; and

NOW, THEREFORE, BE IT RESOLVED that the City hereby finds and determines that the Project is consistent with the public purposes of Tax Increment Finance Law and the plans and objectives set forth in City of Madison TIF Policy, the City's loan to Developer demonstrates the

potential to encourage development of a wide range of housing options in TID #53, thereby making it more likely to accomplish the public purpose objectives set forth in the Project Plan, the TIF Law and City TIF Policy.

BE IT FURTHER RESOLVED that funding is subject to the following conditions:

1. The Project. Developer agrees to develop on the Property all of the following:
   a. Construction of approximately 222 units of affordable housing. The Developer agrees to set aside 100% of the units for occupancy by households whose income is at or below 80% of the area median income (AMI) as defined by Section 42 of the Internal Revenue Code, with an average AMI of less than or equal to 60% using the average income set aside, and consistent with the income restrictions under the Wisconsin Housing and Economic Development Authority's Low-Income Housing Tax Credit Program, and subject to the Land Use Restriction described in Section 24 of this Term Sheet.
   b. Approximately 68 parking stalls

2. Form of Assistance. TIF assistance shall be provided in the form of a 0% loan (the "TIF Loan") from the City to CDA Housing, Inc. ("CDA") and then loaned to Developer, or its assigns, in the amount of One Million Six Hundred Sixty-Six Thousand Dollars ($1,666,000) to the Developer for the purposes of funding TIF eligible project costs, as defined in Wis. Stat. §66.1105 (the "TIF Law"), incurred for constructing the Project. The TIF Loan is to be repaid either through the tax increment generated on the Property or a guaranty payment pursuant to Section 11 herein.

3. Evidence of Financing, Audit and Clawback Provision. Prior to the TIF Loan closing, Developer shall provide evidence of bank financing, grant funds and/or equity in the aggregate amount of not less than $79,257,000 for Project ("Financing").

   Financing shall be evidenced in the form of (i) a bank commitment letter and evidence that Developer has met all of the lender's conditions of financing such as commercial pre-leasing requirements, if any; (ii) a letter of intent from a tax credit investor; and/or (iii) a grant award letter from a nonprofit or governmental entity.

   Equity investment shall be evidenced by paid invoices or other documentation of prepaid project costs paid by Developer and/or a financial statement demonstrating Developer's financial capacity to invest equity in the Project. The Developer's Equity investment may include equity from the sale of Low-Income Housing Tax Credits, a cash contribution from the tenant that will occupy the Project, the Developer's contribution of land or cash via a sponsor note, and a deferred developer's fee. In aggregate, Developer's equity investment, as established through financing documents, shall not be less than the amount of the TIF Loan at closing.

   After closing, the TIF Loan shall be used solely for the purpose of funding the TIF eligible portion of the total project costs as stated in the TIF Application. The total project costs estimated therein at approximately $80,923,000 ("Project Cost"). Upon completion of the Project defined as issuance of a certificate of occupancy for all elements of the Project ("Completion"), Developer shall provide the City with a cost certification of the total Project Cost and Financing ("Audit"), to the City's satisfaction, for the City's review and approval. If the City does not approve the Developer's Audit of Project Cost, the City may request additional information from the Developer and may perform its own audit of Developer's books and records related to Project Cost and Financing. In the event that the financing gap for Project (which is equal to the amount of the TIF Loan) is reduced by a lesser Project Cost as established by the Audit, ("Audited Actual Cost") and/or an increase, as

established by the Audit, in Financing ("Audited Actual Financing"), the following formula shall apply to determine the clawback payment due to the City ("Clawback"):
The Clawback shall be calculated as follows:

1. "Cost Savings" for the Project = $80,923,000, minus the Audited Actual Cost; and
2. "Financing Increase" = Audited Actual Financing minus $79,257,000.

If the sum of (1) Cost Savings and (2) Financing Increase is a negative number, there shall be no Clawback. If the sum is a positive number, Developer shall pay the City Fifty Percent (50%) of such positive number as a Clawback.
Developer's payment of the Clawback shall be applied as a payment to the tax increment guaranty under Sections 9 and 11 below and shall reduce the outstanding amount of the TIF Loan pursuant to Sections 9 and 11 below.

4. Tax Credit Approval. TIF assistance to the Project is contingent upon Developer receiving an award of Section 42 Low-Income Housing Tax credits ("LIHTC") from Wisconsin Housing and Economic Development Authority ("WHEDA") in 2025. Prior to closing of the TIF Loan, Developer shall provide the City with a copy of its LIHTC Online Application ("LOLA") provided to WHEDA. The City reserves the right to amend TIF Assistance to the Project in the event that the financial information provided in the LOLA demonstrates that the financing gap for the Project is less than presented in Developer's TIF Application.

5. Disbursement Method. At closing, the City shall disburse the TIF Loan to a title company to be held in escrow. In order to facilitate the City's review of project cost to confirm eligibility under Wisconsin TIF Law (Wis. Stats. s. 66.1105) and Developer's progress toward SBE bidding goals as set forth in Section 13 herein, the City and Developer shall enter into a Disbursement Agreement that authorizes no less than three (3) disbursements of TIF funds, including a final 20% of total TIF funds retained until 80% project completion confirmation by the Department of Civil Rights ("DCR") that Developer has complied with the applicable provisions of MGO 39.02 (9). TIF funds shall be disbursed upon the City's receipt and satisfactory review of a detailed draw request from Developer provided on or about no less than three (3) disbursement dates, to a title company. CDA shall have the right to lend a portion of the TIF Loan proceeds to the project in phases, secured by one or more notes and mortgages as approved by the City Attorney.

   All funds not spent or remaining in escrow after Completion of the Project shall be returned to the City.

6. 2026 Capital Budget Authorization. Funding for the One Million Six Hundred Sixty-Six Thousand Dollar ($1,666,000) TIF Loan is contingent upon the City of Madison Common Council doing the following: (1) adopting a resolution authorizing the City's execution of the TIF Loan document (the "Authorizing Resolution"); Following approval of the Authorizing Resolution, the Developer may commence construction on the Project, at Developer's own risk, and subject to Sections 7 and 26.

7. TID 53 Project Plan Amendment. The City amended the Project Plan to TID 53 to authorize the $1,666,000 TIF expenditure for the TIF Loan (the "Project Plan Amendment"). TIF Joint Review Board has approved the Project Plan Amendment. Developer may commence construction in accordance with Section 6 and 26, but all construction shall be at its own risk.

8. Method of Payment and Tax Increment Guaranty. The City's expenditure in providing the TIF Loan for the Project shall be repaid by Developer through tax increments generated by the Project and/or cash payments by Developer and guaranty payments. A schedule of the

projected increment used to calculate the TIF Loan amount shall be attached to the Agreement ("Increment Schedule").

9. Sale to Tax Exempt Entity - PILOT Payment. Developer shall be prohibited from selling or transferring the Property prior to the Developer's repayment of the TIF Loan without the prior written consent of the City (except for transfers made pursuant to foreclosure of senior loan on the Project). If Developer sells or transfers the Property to a tax-exempt entity ("Buyer"), whereupon such ownership renders the Property as property tax-exempt, Buyer shall pay the City an annual payment in lieu of taxes (PILOT) in the amount of property tax last levied as of the date of sale to Buyer, frozen, through 2050. The City of Madison shall share said PILOT in proportion with the overlying taxing jurisdictions. Buyer shall execute a PILOT Agreement and a mortgage in favor of the City in the amount of the PILOT payments ("Buyer's Mortgage") at the time of Buyer's acquisition of the Property. The Buyer's Mortgage and PILOT Agreement shall be released and terminated by the City upon the closure of TID 53. This obligation will be secured by a land use restriction terminable upon closure of TID 53.

10. Security and Corporate Guaranty. The TIF Loan shall be evidenced by notes executed by CDA, or its assigns, to the City of Madison in the amount of One Million Six Hundred Sixty-Six Thousand Dollars ($1,666,000) bearing zero percent (0%) interest (together the "Note") CDA shall loan the proceeds to Developer and Developer shall execute a note to evidence the loan from CDA to it (the "Second Note") and also a subordinate mortgage in favor CDA. CDA will assign its interest in the Second Note and Mortgage to the City of Madison securing payment of the TIF Loan (the "Mortgage"). Developer shall deliver to the City the fully executed Second Note, endorsed to the City, to be held by the City in the event of default. The City agrees, if necessary, to execute a subordination of mortgage in a form approved by the City Attorney and acceptable to Developer's lender(s) and said subordinated Mortgage shall be in the second mortgage position. Developer and its assigns shall cause to be provided a corporate guaranty of Bear Development, LLC of the TIF Loan to the Project.

11. Satisfaction. The TIF Mortgage and Agreement shall be satisfied and the Note and Guaranty cancelled via a recordable release upon full payment of the TIF Loan.

12. Affirmative Action MGO 39.02 (9). Developer and its contractors/subcontractors shall comply with all applicable provisions of the Madison General Ordinance (MGO) 39.02 (9), concerning contract compliance requirements. Prior to commencing construction, Developer shall contact the City's Affirmative Action Division to assure that Developer is in compliance with the aforementioned requirements. Developer shall assist and actively cooperate with the Affirmative Action Division in obtaining the compliance of contractors and subcontractors with such applicable provisions of the Madison General Ordinance. Developer shall allow maximum feasible opportunity to small business enterprises to compete for any contracts entered into pursuant to the contract. The Developer understands that it is obligated to meet the goal set by the Department of Civil Rights or show best efforts to meet the goal based on documented evidence of efforts.

Furthermore, in order to ensure compliance with the above provisions, Developer and its contractor agree to the following:

a. The general contractor provides a schedule of values as soon as reasonably possible following the execution of this Term Sheet.

b. A meeting shall take place before loan closing to set affirmative action goals

for the Project. Additional meetings may be scheduled at the request of DCR and must be held within 10 days of the request.

c. At 80% completion, the goal is either met, signed contracts establish that the goal will be met, or documented good faith efforts are shown as to why the goal is not met.

d. Developer shall, at its sole cost, prominently post and maintain throughout the duration of construction, multi-lingual signage at all Project construction sites in locations reasonably visible and accessible to workers. Such signage shall be in a form approved by the City of Madison and shall include information directing workers to the City's Department of Civil Rights (DCR) or other designated City contact for reporting concerns related to wage payment, or job site safety. Developer shall ensure that its general contractor and all subcontractors comply with this requirement."

For the purposes of this paragraph, "completion" shall mean expenditure of total project costs as described in the TIF Application.

14. Accessibility (MGO 39.05). Developer shall submit a written assurance of compliance with Madison General Ordinance 39.05.

15. Equal Opportunity. Developer shall comply with all applicable local, state and federal provisions concerning Equal Opportunity.

16. Ban the Box. Developer shall comply with Madison General Ordinance 39.08 related to job applicant arrest and conviction records.

17. Material Changes. At the time of Closing on the TIF Loan, if any material adverse changes to the size, use or ownership of the Project or Property stated in the TIF Application, including any changes to the number or rent of the affordable units, have been made, this TIF Loan commitment shall be subject to reconsideration by the City. Following Closing, any material change to the Project made without consent of the City shall subject the TIF Loan to immediate repayment. Notwithstanding the foregoing, the City acknowledges that the Developer may, with the prior approval of the City, which approval may not be unreasonably withheld, reconfigure the size and use of the Project to address current market conditions (for example, the number and configuration of parking stalls may be increased or decreased, and certain space designated for office use may be converted to retail use).

18. Project Completion. Developer shall guarantee that the Project attains Completion (as defined in Section 3) by December 31, 2028. Failure to attain Completion by said date will require payment under the increment guaranty in Sections 9 and 11.

19. Property Insurance. Prior to funding, evidence shall be provided that a property insurance policy of the proper type and amount of coverage to protect the City's participation has been obtained. The policy shall name the City of Madison as an additional insured.

20. Title Insurance. At least thirty (30) days prior to closing, Developer shall provide a commitment for a title insurance policy of the proper type and amount of coverage to the City. The City shall receive a lender's policy in a form to be approved by the City Attorney, which will require, among other things, an updated survey of the Property. Developer shall

be responsible for all lending costs and fees.

21. Environmental Assessment. Developer shall provide the City an environmental assessment of the Property which is acceptable to City staff. Developer providing said environmental assessment does not modify the Developer's indemnification obligations described in Section 22.

22. Indemnification.

    a. Developer shall be liable to and hereby agrees to indemnify, save harmless and defend the City, its officers, officials, agents and employees against all loss or expense (including liability costs and reasonable attorney's fees) arising from any and all claims, demands, liabilities and causes of action of whatever kind or nature related to the Property, to the extent occasioned in whole or in part by any act or omission of Developer or its officers, members agents, contractors, subcontractors, invitees or employees, which may now or hereafter be made against them, whether caused by or contributed to by the negligent acts of the City, its agents or employees.

    b. Developer shall enter into an environmental indemnification agreement with the City, which will include the following:

        i. Representations and warranties from Developer regarding Developer's knowledge of the presence of pollutants on the property, history of pollutants on the property, and any existing or possible legal proceedings or actions related to pollutants on the Property.

        ii. Agreement by Developer to indemnify and save the City harmless from all causes of action, suits, claims, demand, judgments and liabilities arising from pollutants on the Property, failure to perform abatement, removal, etc., or other liabilities otherwise arising from environmental laws with respect to the Property.

        iii. Agreement by Developer to timely comply with all applicable environmental laws.

    c. The indemnification provisions described in this Section will survive termination of the Loan Agreement and shall be in addition to any other rights and remedies of the City.

23. Period of Affordability. This Project will have a 40-year affordability period evidenced by a Land Use Restriction Agreement recorded in the first position, behind only a Land Use Restriction for Low-Income Housing Tax Credits with WHEDA, and if a permanent first mortgage lender is providing financing, then after such lender's permanent first mortgage and related security documents. The Land Use Restriction Agreement will remain in effect even if the Promissory Notes are satisfied before the end of the Period of Affordability.

24. Tenant Selection Plan. Developer shall conform to the City of Madison's Tenant Selection Plan (TSP) requirements for the Project, as described in the City of Madison Affordable Housing Fund Tax Credit RFP program.

25. Operating Agreement and Pro Forma. At least seven days prior to closing, Developer shall

provide to the City: (a) a copy of the substantially final Amended and Restated Operating Agreement between the Managing Member, Investor Member, and Special Member(s), if any, of the entity that shall own, manage and control the Property, with the final copy to be delivered at Closing and before the City makes its first disbursement of the TIF Loan proceeds; and (b) the final 30-year operating pro forma for the Project. The final Amended and Restated Operating Agreement between the Managing Member, Investor Member, and Special Member(s) shall be provided within (5) days after closing.

26. Closing Date. Developer agrees to notify the City of its proposed closing date no less than 75 days before the earliest closing date. Developer agrees to notify the City of any significant delays to the previously communicated project closing timeline, e.g., more than 60 days. Developer agrees to close on all major financing sources, including all City financing, concurrently, and prior to starting construction. Developer must request the City's consent to start construction before closing, and the City may approve or deny such request in its sole discretion. Additionally, if the City approves such a request by Developer, the City will only close on the TIF Loan if closing occurs within 60 days of the start of construction.

27. Automatic Expiration. The Loan Agreement shall be null and void if either of the following occurs: (1) Developer does not close on the TIF Loan by July 1, 2026; or (2) Developer does not commence construction on the Project, as evidenced by issuance of permits for footings and foundations, by September 1, 2026. Upon expiration, the Guaranty shall be of no further force and effect.

BE IT STILL FURTHER RESOLVED that the TIF Loan to the Developer is hereby approved and that the Mayor and City Clerk are hereby authorized to execute a development agreement, and other documents as may be necessary to effectuate the transaction, all of which are subject to the approval of the City Attorney.

MEMORANDUM

TO: Common Council
FR: Terrell Nash, Real Estate Development Specialist
DATE: March 4, 2026

SUBJECT: TIF REPORT – 501 E. Washington Avenue (Wash Franklin, LLC)

Project Description

Wash Franklin, LLC, ("Developer") proposes to construct a mixed-use project consisting of 222 affordable apartment units and 68 parking stalls (the "Project"). The Project is located at the former Wisconsin Manufacturers and Commerce building at 501 E. Washington Avenue, located adjacent to the boundary of TID 53 **(Figure 1).**

The Project demonstrated a gap of approximately $1,666,000. Approximately $1,666,000 of TIF loan assistance is feasible, representing 55% of TIF generated by the Project's estimated $30,140,000 incremental value.

TIF Report

The following TIF Report is provided in compliance with Section 3.1 (8) of TIF Goals, Objectives and Process and Section 1 (9) of TIF Loan Underwriting Policy, adopted by the Common Council on February 25, 2014:

(a) Amount Requested: **$ 1,666,000** (50% of TIF)

(b) Type of Project: Redevelopment, Affordable Housing

(c) Analysis Method: Gap Analysis

(d) Tax Credits: $30,886,356

(e) Est. Value and Tax Increments:

Approximate Project Cost	$80,923,000
Estimated Assessed Value	**$30,140,000**
Total Estimated Tax Increments	$ 7,732,000
Average Annual Tax Increment	$ 491,000
TIF Supportable at 50%	**$ 1,666,000**

(f) TID Condition

The Project is located within Tax Incremental District (TID) 53 which the City originally created in 2023. A part of the TID 53 boundary stretches along East Wilson Street, following southwest to northeast from approximately Carroll Street to Blair Street and second part of the boundary stretches along East Washington Avenue from Webster Street to Franklin Street. The area framed in red was part of an amendment to the TID 53 boundary that includes the Project **(Figure 2)**.

There is limited value growth from other private development in the initial years of a newly created TID such as TID 53. TIF generators proposed in the original TID 53 Project Plan have yet to reach full assessed value and much of the tax in increment they might generate has been budgeted for significant public works projects within the TID.

Affordable housing projects such as the proposed Project, which suppress rents for long periods of time for the purposes of affordability, are assessed lower (anywhere between 30% and 45% of market value) than market rate projects.

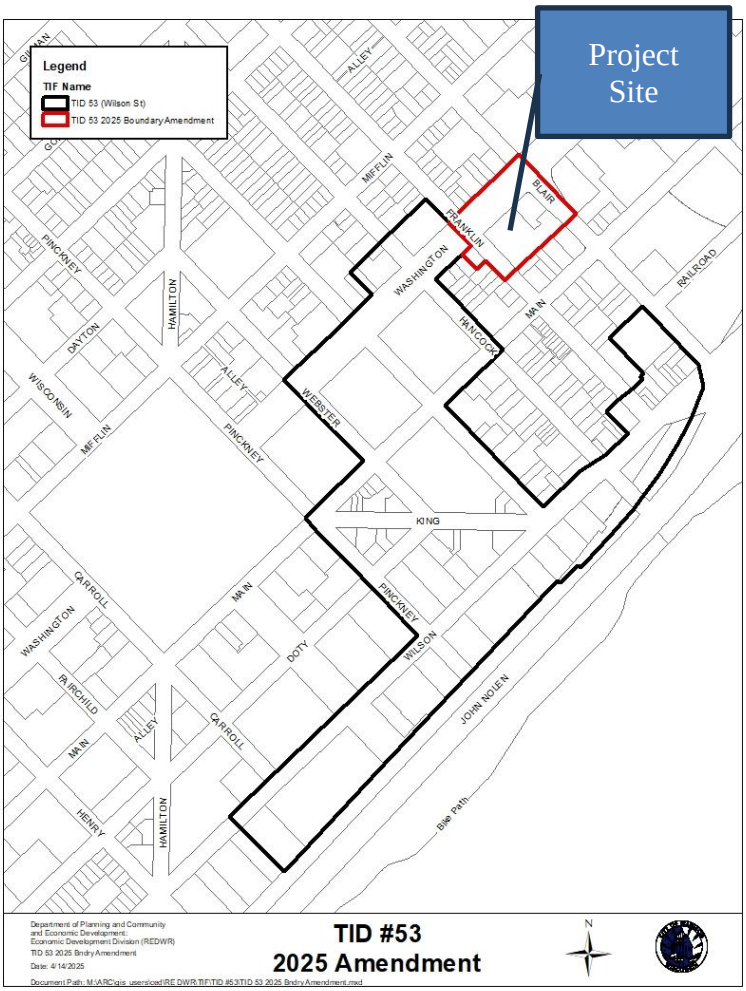


Figure 1

As such, the TID will need a significant amount of time to accumulate tax increments. Therefore, it is financially prudent to limit TIF assistance to no more than the maximum amount allowable under TIF Policy (55% Gateway), thus providing financial cushion for market uncertainty and funds for public works improvements, if necessary and feasible, in the future.

(g) TIF Policy Compliance

Developer Equity—Developer equity is approximately $9,290,000 of deferred developer fee, and $30,886,000 of Low-Income Housing Tax Credit (LIHTC) equity from investors. Developer is providing a corporate guaranty for the Project. This amount exceeds TIF Policy that developer equity must be equal to or greater than the amount of TIF assistance and is therefore in compliance.

(h) Other Applicable

1) Quantity of living wage jobs created and/or retained. **See TIF Goal Statement (Figure 3.)**

2) Quantity of affordable housing units and level of affordability. **See TIF Goal Statement (Figure 3.)**

(i) Amount of TIF to Be Considered

TIF Eligible	$1,666,000	55% of TIF
TIF Recommended	**$1,666,000**	**55% of TIF**

(j) Developer's TIF Goals Statement— TIF Policy requires that Developer provide a statement **(See Figure 2)** as to how the project addresses the following TIF Policy Goals:

1) Per Sections 1 and 3.4 of "TIF Goals, Objectives and Process", how does the Project meet City and TID's goals?

A) Grows the City's property tax base

B) Fosters the creation and retention of family-supporting jobs

C) Encourages the re-use of obsolete or deteriorating property

D) Encourages urban in-fill projects that increase density consistent with the City's Comprehensive Plan

E) Assists in the revitalization of historic, architecturally significant, or deteriorated buildings or enhancement of historic districts.

F) Creates a range of housing types, specifically encouraging affordable housing

G) Funds public improvements that enhance development potential and improve City's infrastructure

H) Promotes superior design, building materials and sustainability features

I) Reserves sufficient increment for public infrastructure in both TID Project Plan and TIF underwriting

(k) TIF Policy Exceptions: None.

(l) Known Labor Agreement, Law Violations: None **indicated.**

Staff Recommendation: TIF assistance in the amount of $1,666,000 or 50% of TIF generated by the project. A 40-year land use restriction agreement (LURA) shall be recorded, requiring the Project to remain affordable for that period.

Figure 2: Applicant's TIF Policy Goal Statement

March 25, 2026

Terrell Nash
Real Estate Development Specialist / Community Development Project Manager
215 Martin Luther King, Jr. Blvd, Third Floor
Madison, WI 53701-2983

Dear Mr. Gromacki,

Bear Development, LLC ("Bear") is proposing to acquire and develop the property located at 1 S Franklin Street (formerly 501 E Washington Avenue), which formerly housed the office of Wisconsin Manufacturing and Commerce, into 222-units of affordable housing. The 0.94-acre site has a vacant two-story office building that will be demolished prior to construction of the new building. All units will be affordable, with rents and household incomes restricted between 50-70% AMI and will consist of 196 one-bedroom units, and 26 two-bedroom units. The project will be funded primarily with 4% Low-Income Housing Tax Credits (LIHTC), Tax-Exempt Bonds, for which Bear has received a reservation from WHEDA, and Tax Incremental Financing (TIF), for which Bear is requesting $1,666,000 in assistance. In addition to the sources listed, the project will include a deferred developer fee in excess of the TIF assistance and Bear will apply for additional gap funding sources.

Regarding the City of Madison TIF Goals, Objectives, and Process, we believe the development meets the proposed policies as outlined in the Policy Statement below:

- **Growing the property tax base:** The property is currently assessed at $1,374,000. The estimated assessed value of the site at completion of the project per the assessor's feedback is approximately $30,000,000.

- **Fostering the creation and retention of family-supporting jobs:** The development is estimated to generate 320 temporary jobs during construction. Once stabilized, approximately four permanent jobs will be retained to manage the property.

- **Encouraging adaptive reuse of obsolete or deteriorating property:** NA- The development will replace a vacant commercial building and parking lot. The two-story office building is approximately 19,628 square feet and it is not feasible to re-use the building while using the site to its highest and best.

- **Encouraging urban in-fill projects that increase density consistent with the City's Comprehensive Plan:** The Madison Generalized Future Land Use map lists the project site as UMX-Urban Mixed-Use area with no density limit and building height up to 8 stories. The development will replace a vacant office building and parking lot and will be 7 stories and have 236 dwelling units/ acre which is consistent with the City's future land use plans.

- **Assisting the revitalization of historic, architecturally significant or deteriorated buildings:** NA-The development will replace a vacant office building and parking lot. The existing building is approximately 19,628 square feet and is not the highest and best use for the site. The city Landmark's Commission reviewed the existing building in December 2024 and found no known historic value that would prohibit its demolition.

- **Creating a range of housing options and specifically encouraging the development of workforce and affordable housing:** All of the units at the development are affordable with rents and incomes restricted to 30-80% AMI. This is a prime site in the heart of the city's downtown near the capital and affordable housing in this location is an asset that will benefit the city as a whole.

- **Funding public improvements that enhance development potential, improve the City's infrastructure, enhance transportation options, and improve the quality and livability of neighborhoods:** The development will replace an unused commercial building and parking lot and directly adjacent to a new BRT stop.

- **Promoting superior design, building materials, and sustainability features in the built environments:** The development will undergo final approval from the City's Urban Design Committee who will extensively review its design, and the project will also be designed to achieve sustainability goals in line with WHEDA's programmatic requirements which may include LEED or a similar certification.

- **Reserving sufficient increment for public infrastructure in both TIF project plans and TIF underwriting:** Our team's understanding is that the project should generate increment in excess of the TIF assistance requested and the underwriting is in compliance with the City's TIF policy.

We look forward to bringing another successful development to the City of Madison and appreciate the opportunity to pursue TIF assistance which is needed to make the project feasible. Should there be any questions, please feel free to contact me at any time.

Sincerely,

Nick Orthmann
Director- Development
Bear Development, LLC

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92929

File ID:	92929	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/28/2026
File Name:	Supporting and approving the City of Madison's application to the US Department of Transportation (USDOT) by the Vision Zero team for a Safe Streets and Roads for All (SS4A) Implementation grant, the acceptance of the grant, and authorizing the Mayor and			**Final Action:**	

Title: Supporting and approving the City of Madison's application to the US Department of Transportation (USDOT) by the Vision Zero team for a Safe Streets and Roads for All (SS4A) Implementation grant, the acceptance of the grant, and authorizing the Mayor and City Clerk to execute a grant agreement with USDOT or its designee, if awarded the grant (Citywide).

Notes:

Sponsors:	Satya V. Rhodes-Conway, Derek Field, Sean O'Brien, Will Ochowicz, Noah L. Lieberman And Barbara Harrington-McKinney	**Effective Date:**	
Attachments:		**Enactment Number:**	
Author:	Yang Tao, Director of Traffic Engineering	**Hearing Date:**	
Entered by:	ALarson2@cityofmadison.com	**Published Date:**	

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Traffic Engineering Division	04/28/2026	Referred for Introduction				
	Action Text: This Resolution was Referred for Introduction						
	Notes: Transportation Commission (5/13/26), Finance Committee (5/11/26), Common Council (5/19/26)						
1	COMMON COUNCIL	05/05/2026	Refer	TRANSPORTATION COMMISSION			Pass
	Action Text: A motion was made by Madison, seconded by Glenn, to Refer to the TRANSPORTATION COMMISSION. The motion passed by voice vote/other.						
	Notes: Additional referral to Finance Committee.						
1	TRANSPORTATION COMMISSION	05/05/2026	Refer	FINANCE COMMITTEE			
	Action Text: This Resolution was Refer to the FINANCE COMMITTEE						

Text of Legislative File 92929

Fiscal Note

The proposed resolution supports and approves the City of Madison's submission of an application to the US Department of Transportation (USDOT) for a FY 2026 Safe Streets and Roads for All (SS4A) Implementation Program Grant, the acceptance of the grant if awarded, and authorizes the Mayor and City Clerk to enter a grant agreement with USDOT or its designee if awarded the grant. The requested grant amount is up to $8 million, with a total project cost of up to $10 million. The 2027 Traffic Engineering Division capital budget request includes the required 20% matching funds (up to $2 million) in 2028 should the proposed grant be awarded to the City of Madison.

Title

Supporting and approving the City of Madison's application to the US Department of Transportation (USDOT) by the Vision Zero team for a Safe Streets and Roads for All (SS4A) Implementation grant, the acceptance of the grant, and authorizing the Mayor and City Clerk to execute a grant agreement with USDOT or its designee, if awarded the grant (Citywide).

Body

WHEREAS, the City of Madison's Vision Zero Action Plan recommends pursuing federal funding for improvements; and

WHEREAS, the Vision Zero team has identified the SS4A Program Grant as a potential source for implementation of actions and strategies outlined in the Vision Zero Action Plan; and

WHEREAS, the SS4A Grant Program will support implementation of activities that are included in an approved Vision Zero action plan; and

WHEREAS, up to $688 million is available through the SS4A Program's Implementation Grant Allocation in FY 26 to prevent roadway deaths and serious injuries; and

WHEREAS, the City of Madison applied for the program in 2022 and received a $267,680 Supplemental Planning Grant for school travel, and high injury network evaluation; and

WHEREAS, the City of Madison also applied for the program in 2023 and received a $6,267,688 Implementation Planning Grant for comprehensive infrastructure improvements and safety studies to advance its Vision Zero strategy; and

WHEREAS, the USDOT Selection Criteria for Implementation Grants include: 1) Safety Impact; 2) Safety Need; 3) Implementation Costs; and 4) Engagement and Collaboration; and

WHEREAS, the USDOT's SS4A Grant Program provides an opportunity to accelerate the City's efforts to eliminate serious and fatal crashes on Madison's streets through innovative, low-cost, and high-impact solutions following the Safe System Approach; and

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Common Council support the application by the Vision Zero staff team to the USDOT SS4A Grant Program for funding of actions and strategies in the Vision Zero Plan.

BE IT FURTHER RESOLVED that the City of Madison commits to funding the 20% local match requirements, up to $2 million in the 2028 Capital Budget, if awarded a grant through the SS4A Grant Program; and

BE IT FURTHER RESOLVED that the Common Council authorizes the Vision Zero team to apply for the grant on behalf of the City, to accept the grant if awarded, and to execute and/or submit any other documents related to the grant, in a format approved by the City Attorney, that

may be necessary to comply with the grant conditions; and

BE IT FINALLY RESOLVED that the Common Council authorizes the Mayor and the City Clerk to enter into a grant agreement with USDOT or its designee, in a format approved by the City Attorney, for the USDOT SS4A Grant Program in the 2026 funding opportunity.

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92932

File ID:	92932	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/29/2026
File Name:	Authorizing the Mayor and the City Clerk to execute an agreement with Roth Professional Solutions for planning, design, and engineering services for replacement of the Lake Forest Lift Station (L.S. 39)			**Final Action:**	

Title: Authorizing the Mayor and the City Clerk to execute an agreement with Roth Professional Solutions for planning, design, and engineering services for replacement of the Lake Forest Lift Station (L.S. 39) (District 13).

Notes: Eric Cefalu

Sponsors:	Tag Evers	**Effective Date:**	
Attachments:	15016 Award Recommendation.pdf	**Enactment Number:**	
Author:	Jim Wolfe, City Engineer	**Hearing Date:**	
Entered by:	jwebb@cityofmadison.com	**Published Date:**	

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Engineering Division	04/29/2026	Referred for Introduction				
	Action Text:	This Resolution was Referred for Introduction					
	Notes:	Finance Committee (5/11/26), Board of Public Works (5/6/26), Common Council (5/19/26)					
1	COMMON COUNCIL	05/05/2026	Refer	FINANCE COMMITTEE			Pass
	Action Text:	A motion was made by Madison, seconded by Glenn, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.					
	Notes:	Additional referral to Board of Public Works.					
1	FINANCE COMMITTEE	05/05/2026	Refer	BOARD OF PUBLIC WORKS			
	Action Text:	This Resolution was Refer to the BOARD OF PUBLIC WORKS					
1	BOARD OF PUBLIC WORKS	05/06/2026	Return to Lead with the Recommendation for Approval	FINANCE COMMITTEE	05/11/2026		Pass
	Action Text:	A motion was made by Williams, seconded by Ald. Lankella, to Return to Lead with the Recommendation for Approval to the FINANCE COMMITTEE and should be returned by 5/11/2026. The motion passed by voice vote/other.					

Text of Legislative File 92932

Fiscal Note

The proposed resolution authorizes the agreement for planning and design engineering services for the Lake Forest Lift Station at a total estimated cost of $101,580. Funding for the project is available in the 2026 Adopted Sewer Utility Capital Budget (Munis #14626). No additional appropriation is required.

Title

Authorizing the Mayor and the City Clerk to execute an agreement with Roth Professional Solutions for planning, design, and engineering services for replacement of the Lake Forest Lift Station (L.S. 39) (District 13).

Body

BE IT HEREBY RESOLVED:

1. That the Mayor and City Clerk are hereby authorized to execute an agreement with Roth Professional Solutions for engineering services for the design of the Lake Forest Lift Station (L.S. 39).

2. That the Finance Director or designee are authorized to execute amendment(s) to this contract for term extensions, or additional design services related to the Lake Forest Lift Station, up to a maximum total authorization of $160,000.00 and maximum total term of four (4) years.

Finance Department

David P. Schmiedicke, Finance Director

City-County Building, Room 406
210 Martin Luther King, Jr. Boulevard
Madison, Wisconsin 53703
Phone: (608) 266-4521
Fax: (608) 266-5948
finance@cityofmadison.com
www.cityofmadison.com/finance/purchasing

Purchasing Services

City of Madison Proposal Award Recommendation

Proposal award recommended by:

Department name: Engineering

Department leadership name: Jim Wolfe Initials: _____ Date: 4-27-2026

Project name: Planning & Design for Lake Forest Lift Station - REBID **RFP number:** 15016-0-2026-BP

Project description:

The City of Madison Engineering Department and the Madison Metropolitan Sewerage District reviewed the age, condition, and capacity of the Lake Forest Lift Station, located at 2021 Dickson Place, and determined that the pumps and control equipment are in need of replacement.

The deliverables will include a detailed design report for the project; Detailed plan drawings required for construction; Detailed specifications to be used for bidding using the City's standard Advertisement; Instructions to Bidders, General Conditions, and Contract forms; Provide miscellaneous services during bidding and construction, including design-related clarifications for bidders, attendance at pre-bid conference, preparation of addenda and/or plan and specification revisions (if needed), review of submittals and shop drawings, and provide design-related clarifications for construction Contractor that may come up during construction; Provide the City with paper and electronic copies of all contract documents; Provide a cost estimate for the final design chosen; and Prepare and provide all permit applications as required to construct the lift station in accordance with Request for Proposals (RFP).

Please note that this is a rebid of RFP 15000-0-2026-BP. That RFP was "no awarded" due all submitted costs higher than the budget.

Contract term:

Initial term: From date of execution through May 1, 2028.

Number of potential renewals: NA

Award amount:

Initial term award amount: $105,875

Total potential award amount, including all future renewals*: $105,875

The award amount is: ☒ Actual contract amount ☐ Estimated contract amount (if yes, explain below)

The Contract Award includes price adjustment terms: ☒ No ☐ Yes (if yes, explain below)

Additional amount information: The amount listed is the intended amount. However, in the past there have been variables that can arise as the process and may require further funding.

Budget information:

Is there grant funding associated with this project: ☐ Yes ☒ No

GL Account: 140083-54660

Project Account: 14626-83-173

☐ Award is contingent on additional budget approval: NA Date: _____

Budget Comment: Sufficient budget authority already exists in the Lift Station Rehab program

Current year commitment	$150,000	Next year commitment*	$
Current budget available	$157,000	Next year budget available*	$

**The City may terminate any contract with no penalty if the Common Council fails to appropriate funds for the continuation of the contract for any ensuing fiscal year.*

Number of proposals received: 3

List Proposers' names.

1. AECOM Technical Services, Inc.
2. Roth Professional Services, Inc.
3. Short Elliott Hendrickson Inc. (SEH)

Panel members first conducted evaluations of proposals independently based on the pre-established criteria determined by the panel. Then, the panel met to discuss all qualitative and quantitative aspects of the proposals and overall ratings as a group. Purchasing staff rated the cost section of the proposals.

Below is a summary of the scoring:

Max Points	Section	AECOM	Roth	SEH
55	Questions Total	42.83	35.42	49.17
40	Cost	26.05	40.00	21.40
5	Local Vendor	0.00	0.00	0.00
100		68.89	75.42	70.56

After the first round of evaluations, the panel had additional questions for AECOM and Roth. Each company was asked specific questions related to their particular technical proposals and supplied answers to a satisfactory level of the evaluation panel. Following this, based on the scoring, the panel felt comfortable selecting the top scoring vendor, Roth Professional Services, as the recommended awarded vendor.

Local Vendor Preference

- **How many proposers qualified for Local Preference? 0**
- **Was the selected proposer qualified for Local Preference? No**
- **Did Local Preference influence the outcome of this RFP? No**

Final Award of Evaluation Panel: Roth Professional Services

Additional information (optional): NA

Purchasing Representative: Brian Pittelli Signature: Brian Pittelli Date: 4/28/2026

Purchasing Supervisor: Mary Richards Signature: Mary C. Richards Date: 4/28/2026

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92933

File ID:	92933	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/29/2026
File Name:	Authorizing the Mayor and the City Clerk to execute Amendment No. 4 to the existing Purchase of Services contract between the City of Madison and Brown and Caldwell for engineering services for the Wingra Proper Watershed Study.			**Final Action:**	

Title: Authorizing the Mayor and the City Clerk to execute Amendment No. 4 to the existing Purchase of Services contract between the City of Madison and Brown and Caldwell for engineering services for the Wingra Proper Watershed Study. (District 5, District 10, District 11, District 13, District 14)

Notes: Phil Gaebler

Sponsors:	Tag Evers, Regina M. Vidaver, Yannette Figueroa Cole, Noah L. Lieberman And Bill Tishler	**Effective Date:**	
Attachments:		**Enactment Number:**	
Author:	Jim Wolfe, City Engineer	**Hearing Date:**	
Entered by:	jwebb@cityofmadison.com	**Published Date:**	

History of Legislative File

Ver-sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Engineering Division	04/29/2026	Referred for Introduction				
	Action Text: This Resolution was Referred for Introduction						
	Notes: Finance Committee (5/11/26), Board of Public Works (5/6/26), Common Council (5/19/26)						
1	COMMON COUNCIL	05/05/2026	Refer	FINANCE COMMITTEE			Pass
	Action Text: A motion was made by Madison, seconded by Glenn, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.						
	Notes: Additional referral to Board of Public Works.						
1	FINANCE COMMITTEE	05/05/2026	Refer	BOARD OF PUBLIC WORKS			
	Action Text: This Resolution was Refer to the BOARD OF PUBLIC WORKS						
1	BOARD OF PUBLIC WORKS	05/06/2026	Return to Lead with the Recommendation for Approval	FINANCE COMMITTEE	05/11/2026		Pass

Action Text: A motion was made by Williams, seconded by Ald. Lankella, to Return to Lead with the Recommendation for Approval to the FINANCE COMMITTEE and should be returned by 5/11/2026. The motion passed by voice vote/other.

Text of Legislative File 92933

Fiscal Note

The proposed resolution authorizes an amendment to the existing contract (#9156) for the Wingra Proper Watershed Study for additional engineering services at a cost of $9,386. The original contract was approved via RES-22-00335 on May 10, 2022 (Legistar #70938), for a total amount of $195,558 and increased via Amendment 1 to $198,312. This amendment (#4) increases the total authorization to $207,698 and extends the contract until September 30, 2026.

Funding is available in the 2026 Adopted Stormwater Utility Operating Budget to support flood studies (13323-84-200-84000). No additional appropriation is required.

Title

Authorizing the Mayor and the City Clerk to execute Amendment No. 4 to the existing Purchase of Services contract between the City of Madison and Brown and Caldwell for engineering services for the Wingra Proper Watershed Study. (District 5, District 10, District 11, District 13, District 14)

Body

The City of Madison Engineering Division is conducting watershed and flood studies as a result of extreme rain events over the past several years. The City entered into an agreement with Brown and Caldwell for engineering services related to flooding evaluation in the Wingra Proper Watershed (RES-22-00335). The City Engineer authorized additional engineering services and recommend that they be undertaken by Brown and Caldwell for the Wingra Proper Watershed as defined below:

1. Berm: An existing berm exists to create a dry pond within the UW-Arboretum south of Martin Street. There is currently a gap at the southeast corner of the pond between the dry pond and the nearby North Arboretum wet pond. Currently during large storm events water bypasses the berm and impacts the effectiveness of alternatives to reduce flooding in the Lake Forest neighborhood. As part of this analysis BC will simulate an extension of the berm to fill this gap.
2. Schmidt Pond Outfall Pipe: As an option to relying on the outlet channel from the pond, an alternative will be considered with a pipe discharging from the pond. The current model will be extended to include the footprint of the pond. A berm will be created on the downstream side to fill the current outlet channel. An outlet pipe will be added to go from the pond to the northeast, along Fish Hatchery Road, and discharge into Wingra Creek.

These improvements will be added to the selected solutions model and executed for the 10% and 1% chance storm events. The analysis will assume the Lake Monona summer target high water level as the downstream boundary condition. A cost estimate for each of the two additional mitigation measures will be prepared. The results will be summarized as an Appendix to the Watershed Report.

The existing contract shall be extended until September 30, 2026 to allow completion of remaining tasks.

NOW THEREFORE BE IT RESOLVED that the Mayor and City Clerk are hereby authorized to

execute an Amendment 4 to the contract between the City of Madison and Brown and Caldwell for additional design services and to extend the contract term for the Wingra Proper Watershed.

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92934

File ID:	92934	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/29/2026
File Name:	Metro BRT North-South AECOM Contract			**Final Action:**	

Title: Authorizing the City to execute a contract with AECOM Technical Services, Inc., for continued project development and other engineering services associated with N-S Bus Rapid Transit and authorizing expenditure of an additional $6,000,000 for the services.

Notes: MetroAECOM

Sponsors:	Tag Evers, Noah L. Lieberman, Carmella Glenn, Derek Field, Sean O'Brien And Julia Matthews	**Effective Date:**	
Attachments:		**Enactment Number:**	
Author:	Eric Finch	**Hearing Date:**	
Entered by:	mglaeser@cityofmadison.com	**Published Date:**	

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Attorney's Office	04/29/2026	Referred for Introduction				
	Action Text:	This Resolution was Referred for Introduction					
	Notes:	Transportation Commission (5/13/26), Finance Committee (5/11/26), Common Council (5/19/26)					
1	COMMON COUNCIL	05/05/2026	Refer	TRANSPORTATION COMMISSION			Pass
	Action Text:	A motion was made by Madison, seconded by Glenn, to Refer to the TRANSPORTATION COMMISSION. The motion passed by voice vote/other.					
	Notes:	Additional referral to Finance Commission.					
1	TRANSPORTATION COMMISSION	05/05/2026	Refer	FINANCE COMMITTEE			
	Action Text:	This Resolution was Refer to the FINANCE COMMITTEE					

Text of Legislative File 92934

Fiscal Note

The proposed resolution authorizes a contract for continued project development and engineering services associated with North South Bus Rapid Transit. The City previously authorized a contract for up to $7 million with AECOM Technical Services, Inc. The proposed resolution will continue these services through an extension of the existing agreement or a new agreement. The resolution would increase the contract cost by $6 million for a not to exceed

amount of $13 million. The contract will be funded by existing appropriations within the North-South Bus Rapid Transit capital program in the Transportation Department budget. No additional appropriations required.

Title

Authorizing the City to execute a contract with AECOM Technical Services, Inc., for continued project development and other engineering services associated with N-S Bus Rapid Transit and authorizing expenditure of an additional $6,000,000 for the services.

Body

WHEREAS, the 2013 Madison Transit Corridor Study identified both an East-West and a North-South Bus Rapid Transit Corridor; and

WHEREAS, Madison's 2018 Imagine Madison Comprehensive Plan illustrated a future North-South Bus Rapid Transit Corridor Phase; and

WHEREAS, Metro Transit's Transit Network Redesign study and project further identified a high frequency North-South corridor, Line B, as a critical component in providing high frequency transit service to Madison's north and south sides; and

WHEREAS, the Common Council and Mayor, recognizing the need for high quality transit service to Madison's North and South sides, incorporated $7 million in the 2023 Capital Budget for design and consulting services associated with the North-South Bus Rapid Transit Corridor; and

WHEREAS, the Department of Transportation/Metro Transit issued a request for qualifications for project development consultant services on the North-South Bus Rapid Transit Corridor, with AECOM Technical Services, Inc. being the selected consultant in an open and competitive process; and

WHEREAS, AECOM Technical Services, Inc. has satisfactorily performed similar services for Bus Rapid Transit Projects in other cities; and

WHEREAS, The City entered into a contract with AECOM Technical Services, Inc. in May 2023 to perform services based on the request for qualifications as authorized by RES-23-00220; and

WHEREAS, AECOM Technical Services, Inc. has performed services under the May 2023 contract to the satisfaction of the Department of Transportation/Metro Transit; and

WHEREAS, the contract between the City and AECOM Technical Services, Inc. is set to expire May 25, 2026; and

WHEREAS, the Department of Transportation/Metro Transit wish to contract to receive services from AECOM Technical Services, Inc. based on the original request for qualifications through 2030; and

WHEREAS, existing budget authority from the 2024 and 2025 capital budget authorizations are sufficient to support the additional $6 million in services; and

WHEREAS, the the Mayor and City Clerk are authorized by RES-23-00220 to execute contract(s) for professional design and engineering services from AECOM Technical Services, Inc. for project development activities for the entirety of the North-South project; and

WHEREAS, RES-23-00220 authorized a maximum contract value that may exceed current budget authority, but the sum of all purchase orders under may not exceed total budget authority at the time of issuance.

NOW, THEREFORE, BE IT RESOLVED that the total costs allowed under the contract(s) with AECOM Technical Services, Inc. are hereby increased by $6 million for continued project development, engineering, and other services set forth in the request for qualifications.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are hereby authorized to execute related documents in a form approved by the City Attorney.

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92949

File ID:	92949	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/29/2026
File Name:	Authorizing the Mayor and City Clerk to execute a Cooperative Agreement 2026 Renewal with the Capital Area Regional Planning Commission for the investigation of water resources within the City of Madison through the Dane County Cooperative Water Resources			**Final Action:**	

Title: Authorizing the Mayor and City Clerk to execute a Cooperative Agreement 2026 Renewal with the Capital Area Regional Planning Commission for the investigation of water resources within the City of Madison through the Dane County Cooperative Water Resources Monitoring Program. Said Agreement renewal covers the period of 1/1/26 thru 12/31/26. (Citywide)

Notes: Phil Gaebler

Sponsors:	John P. Guequierre	**Effective Date:**	
Attachments:		**Enactment Number:**	
Author:	Jim Wolfe, City Engineer	**Hearing Date:**	
Entered by:	jwebb@cityofmadison.com	**Published Date:**	

History of Legislative File

Ver-sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Engineering Division	04/29/2026	Referred for Introduction				
	Action Text: This Resolution was Referred for Introduction						
	Notes: Finance Committee (5/11/26), Board of Public Works (5/6/26), Common Council (5/19/26)						
1	COMMON COUNCIL	05/05/2026	Refer	FINANCE COMMITTEE			Pass
	Action Text: A motion was made by Madison, seconded by Glenn, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.						
	Notes: Additional referral to Board of Public Works.						
1	FINANCE COMMITTEE	05/05/2026	Refer	BOARD OF PUBLIC WORKS			
	Action Text: This Resolution was Refer to the BOARD OF PUBLIC WORKS						
1	BOARD OF PUBLIC WORKS	05/06/2026	Return to Lead with the Recommendation for Approval	FINANCE COMMITTEE	05/11/2026		Pass

Action Text: A motion was made by Williams, seconded by Ald. Lankella, to Return to Lead with the Recommendation for Approval to the FINANCE COMMITTEE and should be returned by 5/11/2026. The motion passed by voice vote/other.

Text of Legislative File 92949

Fiscal Note

The proposed resolution authorizes the execution of a Cooperative Agreement 2026 Renewal with the Capital Area Regional Planning Commission for the investigation of water resources within the City of Madison through the Dane County Cooperative Water Resource Monitoring Program. The agreement renewal covers the period of January 1, 2026, through December 31, 2026. The total cost of the agreement is not to exceed $19,500. Funding is available in the 2026 adopted Stormwater Utility Operating Budget. No additional appropriation is required.

Title

Authorizing the Mayor and City Clerk to execute a Cooperative Agreement 2026 Renewal with the Capital Area Regional Planning Commission for the investigation of water resources within the City of Madison through the Dane County Cooperative Water Resources Monitoring Program. Said Agreement renewal covers the period of 1/1/26 thru 12/31/26. (Citywide)

Body

RESOLVED, that the Mayor and City Clerk are hereby authorized to execute a Cooperative Agreement 2026 Renewal with the Capital Area Regional Planning Commission for the investigation of water resources within the City of Madison through the Dane County Cooperative Water Resource Monitoring Program. Said agreement renewal covers the period of January 1, 2026 through December 31, 2026, and;

BE IT FURTHER RESOLVED, that the City Financial Director be authorized to make payment to the Capital Area Regional Planning Commission in accordance with the Cooperative Agreement. Said payment to be made from Account No. 84125-54645-00000.

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92971

File ID:	92971	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/30/2026
File Name:	Authorizing the City to execute a field use agreement with the Madison Ultimate Frisbee League use of certain athletic fields.			**Final Action:**	

Title: Authorizing the City to execute a field use agreement with the Madison Ultimate Frisbee League use of certain athletic fields in City parks as set forth in the Agreement, and continue contributions to established segregated non-reverting fund and a fee structure that supports the shared goals of supporting the use of the City's park space and providing quality maintenance of the City's athletic fields for the years of 2026-2030.

Notes:

Sponsors:	Carmella Glenn And Derek Field	**Effective Date:**	
Attachments:	Ultimate Frisbee Field Use Agreement with MUFA (2026-2030).pdf	**Enactment Number:**	
Author:	Terrence Thompson	**Hearing Date:**	
Entered by:	nmiller@cityofmadison.com	**Published Date:**	

History of Legislative File

Ver-sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Parks Division	04/30/2026	Referred for Introduction				
	Action Text:	This Resolution was Referred for Introduction					
	Notes:	Board of Park Commission (5/13/26), Finance Committee (5/11/26), Common Council (5/19/26)					
1	COMMON COUNCIL	05/05/2026	Refer	BOARD OF PARK COMMISSIONERS			Pass
	Action Text:	A motion was made by Madison, seconded by Glenn, to Refer to the BOARD OF PARK COMMISSIONERS. The motion passed by voice vote/other.					
	Notes:	Additional referral to Finance Committee.					
1	BOARD OF PARK COMMISSIONERS	05/05/2026	Referred	FINANCE COMMITTEE			
	Action Text:	This Resolution was Referred to the FINANCE COMMITTEE					

Text of Legislative File 92971

Fiscal Note

This resolution authorizes a three (3) year agreement with the possibility of two (2) one-year renewals with Madison Ultimate Frisbee League (MUFA) at various City parks locations. The agreement will set forth the terms and conditions upon which the City will allow MUFA priority usage of certain athletic fields in City parks as set forth in the Agreement for MUFA's ultimate leagues, on a non-exclusive basis. In addition, this Agreement will continue the use of a segregated non-reverting fund and a fee structure that supports the shared goals of supporting the volume use of the City's park space and providing quality maintenance of the City's athletic fields.

Over the potential five year term of this agreement, it is anticipated that the MUFA will pay the City approximately $444,000 with an estimated annual payment amount of $88,000 per year. Actual payment amounts will vary based on usage and number of players signed up per season. Approximately $259,000 of this amount is for field use and reservation charges. Of the estimated $259,000, 95% ($246,050) of the amount will be credited to the Park Use Charges and deposited as General Fund revenue. The remaining 5% ($12,950) will be credited to the Parks Division's Operating Budget to offset extraordinary scheduling, planning and reservation work created under this agreement. The remaining $185,000 is the estimated value of a per player surcharge to be remitted by MUFA to the City for the maintenance, restoration and improvement of specified fields. These expenditures will be handled through the Restricted Fund in the Parks Division's Budget.

Title

Authorizing the City to execute a field use agreement with the Madison Ultimate Frisbee League use of certain athletic fields in City parks as set forth in the Agreement, and continue contributions to established segregated non-reverting fund and a fee structure that supports the shared goals of supporting the use of the City's park space and providing quality maintenance of the City's athletic fields for the years of 2026-2030.

Body

WHEREAS, the Madison Ultimate Frisbee Association (MUFA) is a non-profit entity that was created in 1993 and is dedicated to providing opportunities for people to play the sport of ultimate. MUFA runs multiple ultimate leagues in the Madison area and has a history of working with the City Parks Division regarding the use of City parks to play ultimate; and,

WHEREAS, on November 22, 2016, the City and MUFA entered into the Ultimate Frisbee Field Use Agreement for the years of 2016-2020, which granted MUFA priority usage of certain City athletic fields by MUFA leagues for the 2016-2020 seasons. On August 16, 2021, MUFA and the City entered into a successor agreement allowing for the ongoing priority usage of certain City athletic fields by MUFA leagues for the 2021-2025 seasons; and,

WHEREAS, the City and MUFA would like to continue their past successful working relationship and enter into a successor agreement allowing for the ongoing priority usage of certain City athletic fields by MUFA leagues for the 2026-2030 seasons; and,

WHEREAS, MUFA has agreed, as a condition of its ongoing priority usage of the specified athletic fields on a non-exclusive basis, to pay field use fees and contribute funds to a non-reverting segregated revenue account, which funds will be used by the City to fund maintenance and improvements to the specified athletic fields.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Clerk are authorized to enter into an Operating Agreement with Madison Ultimate Frisbee League for 2026-2030 for use of use of certain athletic fields in City parks as set forth in the Agreement for MUFA's ultimate

leagues, and continued contribution to a segregated non-reverting fund and a fee structure that supports the shared goals of supporting the volume use of the City's park space and providing quality maintenance of the City's athletic fields in a format that is approved by the City Attorney and the Risk Manager.

ULTIMATE FRISBEE FIELD USE AGREEMENT
Between the City of Madison and the Madison Ultimate Frisbee Association, Inc.
For the 2026-2030 Seasons

THIS AGREEMENT, entered into by and between the City of Madison, a municipal corporation (hereinafter referred to as "City"), and the Madison Ultimate Frisbee Association, Inc., a Wisconsin nonstock corporation (hereinafter referred to as "MUFA"), is effective as of the date by which both parties have signed hereunder.

WITNESSETH:

WHEREAS, MUFA is a non-profit entity that was created in 1993 and is dedicated to providing opportunities for people to play the sport of ultimate. MUFA runs multiple ultimate leagues in the Madison area and has a history of working with the City Parks Division regarding the use of City parks to play ultimate; and,

WHEREAS, on November 22, 2016, the City and the MUFA entered into the Ultimate Frisbee Field Use Agreement for the years of 2016-2020, which Agreement granted MUFA priority usage of certain City athletic fields for the 2016-2020 seasons.

WHEREAS, on August 16, 2021, MUFA and the City entered into the Ultimate Frisbee Field Use Agreement for the years of 2021-2025, which Agreement granted MUFA priority usage of certain City athletic fields for the 2021-2025 seasons.

WHEREAS, the City and MUFA would like to continue their past successful working relationship and enter into a successor agreement allowing for the ongoing priority usage of certain City athletic fields by MUFA leagues for the 2026-2030 seasons; and,

WHEREAS, MUFA has agreed, as a condition of its ongoing priority usage of the specified athletic fields on a non-exclusive basis, to pay field use fees and contribute funds to a non-reverting segregated revenue account, which funds will be used by the City to fund maintenance and improvements to the specified athletic fields.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the Parties agree as follows:

1. Purpose. The purpose of this Ultimate Frisbee Field Use Agreement ("Agreement") is to set forth the terms and conditions upon which the City will allow MUFA priority usage of certain athletic fields in City parks as set forth in Attachment A ("Premises") for MUFA's ultimate leagues, on a non-exclusive basis. In addition, this Agreement will establish a segregated non-reverting fund and a fee structure that supports the shared goals of supporting the volume use of the City's park space and providing quality maintenance of the City's athletic fields.

2. Grant and Description of Premises. City does hereby grant to MUFA priority usage of the Premises, on a non-exclusive basis, for MUFA's ultimate leagues, as set forth in this Agreement.

3. Conditions of Use. By entering into this Agreement, the Parties mutually agree to abide by the special terms and conditions set forth in Attachment A, which terms are incorporated herein.

4. Term and Renewal. The initial term of this Agreement shall be from April 1, 2026 through December 31, 2028. This Agreement may be renewed for two (2) additional one-year terms (for the 2029 and 2030 calendar years) upon written notice by MUFA to the City no later than December 1 of the renewal year of the Agreement, and upon mutually agreeable terms and conditions. Both parties shall meet no later than November 30 of the renewal year to discuss the continuation and/or amendment and continuation of the Agreement.

5. Entire Agreement. The entire agreement of the parties is contained herein and this Agreement supersedes any and all oral contracts and negotiations between the parties.

6. Status of Parties. It is agreed that MUFA is an independent contractor and not an employee or representative of the City, and that any persons who MUFA, either on its own or through MUFA, utilizes and provides for services under this Agreement are employees of MUFA and are not employees of the City of Madison. In addition, it is agreed that by granting MUFA the right to use the Premises for the purposes set forth herein, that the City is not granting MUFA the right to sell or distribute any City goods or services nor is there a community of interest, as that term is defined at Wis. Stat. Sec. 135.02(1), between the City and MUFA arising from this Agreement. The Parties both acknowledge that this Agreement does not create a dealership under Wis. Stat. Ch. 135.

7. No Realty. It is expressly understood and agreed that this Agreement is not a lease or a conveyance of realty, but merely a granting to MUFA the right to use Premises for the purposes set forth herein.

8. Access to Premises. This Agreement gives MUFA priority usage of the Premises, on a non-exclusive basis, for its ultimate leagues. In no case shall this limited grant of rights be interpreted to preclude the City's or the public's access to the Premises. City may at all times enter in or on the Premises for the purpose of inspection, maintenance, and repair.

9. Repairs. MUFA shall give the City prompt notice of the necessity of repairs and replacements at the Premises and the City shall have a reasonable time to undertake and complete such repairs and replacements. MUFA agrees to immediately report to City any damage of Parks equipment and facilities which pose a threat to health and safety to Park users including MUFA's league participants.

10. Vacating the Premises. MUFA agrees to vacate the Premises at the end of the term and leave the Premises in a state of cleanliness and repair to City's satisfaction. MUFA will remove all personal property unless otherwise agreed to by the parties.

11. Weapons Prohibition. MUFA shall prohibit, and shall require its contractors and subcontractors to prohibit, its employees from carrying weapons, including concealed weapons, while using the Premises under this Agreement, except with the prior consent of the Parks Division.

12. Assignability and Subcontracting. MUFA shall not assign or subcontract any interest or obligation under this Agreement without the City's prior written approval. All of the services required hereunder shall be performed by MUFA and employees of MUFA.

13. Amendments. This Agreement shall be binding on the parties hereto, and cannot be varied or waived by any oral representations or promise of any agent or other person of the parties hereto. Any change in any provision of this Agreement may only be made by a written amendment, signed by the duly authorized agent or agents of MUFA and the Parks Superintendent, or his/her designee.

14. No Waiver. No failure to exercise, and no delay in exercising, any right, power or remedy hereunder on the part of the City or MUFA shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. No express waiver shall affect any event or default other than the event or default specified in such waiver, and any such waiver, to be effective, must be in writing and shall be operative only for the time and to the extent expressly provided by the City or MUFA therein. A waiver of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition.

15. Indemnification. MUFA shall be liable to and hereby agrees to indemnify, defend and hold harmless the City, and its officers, officials, agents, and employees against all loss or expense (including liability costs and attorney's fees) by reason of any claim or suit, or of liability imposed by law upon the City or its officers, officials, agents or employees for damages because of bodily injury, including death at any time resulting therefrom, sustained by any person or persons or on account of damages to property, including loss of use thereof, arising from, in connection with, caused by or resulting from MUFA's and/or MUFA's Subcontractor's acts or omissions in the performance of this Agreement, whether caused by or contributed to by the negligence of the City, its officers, officials, agents, or its employees.

16. Hazardous Substances; Indemnification. MUFA represents and warrants that its use of the Premises will not generate any hazardous substance, and it will not store or dispose on the Premises nor transport to or over the Premises any hazardous substance in violation of any applicable federal, state or local law, regulation or rule. MUFA further agrees to hold the City harmless from and indemnify the City against any release of such hazardous substance and any damage, loss, or expense or liability resulting from such release including all attorneys' fees, costs and penalties incurred as a result thereof except any release caused by the sole negligence or intentional acts of the City, its employees or agents. "Hazardous substance" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic radioactive substance, or other similar term by any federal, state or local environmental

law, regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules may be amended from time to time; and it shall be interpreted to include, but not be limited to, any substance which after release into the environment will or may reasonably be anticipated to cause sickness, death or disease or damage to or loss of use of real or personal property.

17. Insurance.

A. Required Insurance. MUFA will insure, and will require each subcontractor to insure, as indicated, against the following risks to the extent stated below. MUFA shall not commence work under this Agreement, nor shall MUFA allow any Subcontractor to commence work on its Subcontract, until the insurance required below has been obtained and corresponding certificate(s) of insurance have been approved by the City Risk Manager.

(1) Commercial General Liability. MUFA shall procure and maintain during the life of this Agreement, Commercial General Liability insurance including, but not limited to bodily injury, property damage, personal injury, and products and completed operations (unless determined to be inapplicable by the Risk Manager) in an amount not less than $1,000,000 per occurrence. This policy shall also provide contractual liability in the same amount. MUFA's coverage shall be primary and noncontributory and list the City of Madison, its officers, officials, agents and employees as additional insureds. MUFA shall require all subcontractors under this Agreement (if any) to procure and maintain insurance meeting the above criteria, applying on a primary and noncontributory basis and listing the City of Madison, its officers, officials, agents and employees as additional insureds.

B. Acceptability of Insurers. The above-required insurance is to be placed with insurers who have an A.M. Best rating of no less than A~ (A minus) and a Financial Category rating of no less than VII.

C. Proof of Insurance, Approval. MUFA shall provide the City with certificate(s) of insurance showing the type, amount, class of operations covered, effective dates, and expiration dates of required policies prior to commencing work under this Agreement. MUFA shall provide the certificate(s) to the City's representative upon execution of the Agreement, or sooner, for approval by the City Risk Manager. MUFA shall provide copies of additional insured endorsements or insurance policies, if requested by the City Risk Manager.

D. Notice of Change in Policy. MUFA and/or Insurer shall give the City thirty (30) days advance written notice of cancellation, non-renewal or material changes to any of the above-required policies during the term of this Agreement.

E. Insufficient Coverage. In the event of expiration, material change, or cancellation of insurance required by this Agreement, MUFA shall immediately cease use of the

Premises and the provision of the services under this Agreement until such time as proof of the required insurance is provided to the City Risk Manager consistent with the requirements of this Section.

F. Risk Manager. All information required to be provided to the Risk Manager should be addressed as follows:

City of Madison
Attention: Risk Manager, Room 406
210 Martin Luther King Jr. Blvd.
Madison, WI 53703

18. Non-Discrimination. In the performance of work under this Agreement, MUFA agrees not to discriminate against any employee or applicant for employment because of race, religion, marital status, age, color, sex, handicap, national origin or ancestry, income level or source of income, arrest record or conviction record, less than honorable discharge, physical appearance, sexual orientation, gender identity, political beliefs or student status. MUFA further agrees not to discriminate against any subcontractor or person who offers to subcontract on this Contract because of race, religion, color, age, disability, sex, sexual orientation, gender identity or national origin.

19. Nondiscrimination Based on Disability. MUFA shall comply with Section 39.05, Madison General Ordinances, "Nondiscrimination Based on Disability in City-Assisted Programs and Activities." Under section 39.05(7) of the Madison General Ordinances, no City financial assistance shall be granted unless an Assurance of Compliance with Sec. 39.05 is provided by the applicant or recipient, prior to the granting of the City financial assistance. Under Section 39.05(3)(b)4, "City financial assistance" includes any arrangement by which the City provides or otherwise makes available assistance in the form of the lease of, and the permission to use, City property.

MUFA assures that, in providing any service at the Premises, it shall not, directly or through contractual, licensing, or other arrangements, on the basis of disability:

A. Deny a qualified person with a disability the opportunity to participate in or benefit from the aid, benefit, or service;

B. Afford a qualified person with a disability an opportunity to participate in or benefit from the aid, benefit, or service, or the City facility, that is not equal to that afforded others;

C. Provide a qualified person with a disability with a City facility or an aid, benefit, or service that is not as effective as that provided to others;

D. Provide different or separate City facilities, or aid, benefits, or services to persons with a disability or to any class of persons with disabilities unless such action is necessary to provide qualified persons with a disability with City facilities, aid, benefits, or services that are as effective as those provided to others;

E. Aid or perpetuate discrimination against a qualified person with a disability by providing significant assistance to any agency, organization, or person that discriminates on the basis of disability in providing any aid, benefit, or service to beneficiaries of the recipient's program;

F. Deny a qualified person with a disability the opportunity to participate as a member of planning or advisory boards; or

G. Otherwise limit a qualified person with a disability in the enjoyment of any right, privilege, advantage, or opportunity enjoyed by others receiving an aid, benefit, or service from a recipient, or by others using City facilities.

20. Notices. All notices to be given under the terms of this Agreement shall be in writing and signed by the person serving the notice and shall be sent by mail, or hand delivered to the addresses of the parties listed below:

City: Superintendent of Parks
City Parks Division
330 E Lakeside St
Madison, WI 53715

For MUFA: Anna Jenstead, President
Madison Ultimate Frisbee Association, Inc.
1614 Brynwood Drive
Madison, WI 53716

Either party shall give five (5) days written notice to the other party regarding any changes.

21. Default/Termination.

A. In the event MUFA shall default in any of the covenants, agreements, commitments, or conditions herein contained, or fails to fully perform and carry out any term or condition of this Agreement to the satisfaction of the City, and any such default shall continue unremedied for a period of ten (10) days after written notice thereof to MUFA, the City may, at its option and in addition to all other rights and remedies which it may have at law or in equity against MUFA, including expressly the specific enforcement hereof, forthwith have the cumulative right to immediately terminate this Agreement and all rights of MUFA under this Agreement.

B. Notwithstanding paragraph A., above, either Party to this Agreement may in its sole discretion and without any reason terminate this Agreement at any time by furnishing the other Party with thirty (30) days written notice of termination.

22. Third Party Rights. This Agreement is intended to be solely between the parties hereto. No part of this Agreement shall be construed to add, supplement, amend, abridge or repeal

existing rights, benefits or privileges of any third party or parties, including but not limited to employees of either of the parties.

23. Entire Agreement. All terms and conditions of this Agreement are expressly contained herein, and the parties agree that neither the City nor the MUFA has made any representations or promises with respect to this Agreement not expressly contained herein.

24. Compliance. MUFA shall comply with all applicable laws and regulations of the City of Madison, County of Dane, State of Wisconsin, U.S. Government, and any other governmental authority having jurisdiction over the Premises.

25. Law Applied. The parties agree that this Agreement shall be governed by, construed and enforced according to the laws of the State of Wisconsin and Wisconsin courts.

26. Authority. MUFA represents that it has the authority to enter into this Agreement and the person signing on behalf of MUFA represents and warrants that he or she has been duly authorized to bind MUFA and sign this Agreement on MUFA's behalf.

27. Counterparts; Electronic Delivery. This Agreement may be signed in counterparts, each of which shall be taken together as a whole to comprise a single document. Signatures on this Amendment may be exchanged between the parties by facsimile, electronic scanned copy (.pdf) or similar technology and shall be as valid as original; and this Amendment may be converted into electronic format and signed or given effect with one or more electronic signature(s) if the electronic signature(s) meets all requirements of Wis. Stat. ch. 137 or other applicable Wisconsin or Federal law. Executed copies or counterparts of this Amendment may be delivered by facsimile or email and upon receipt will be deemed original and binding upon the parties hereto, whether or not a hard copy is also delivered. Copies of this Amendment, fully executed, shall be as valid as an original.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their proper officers on the day and year first above written.

MADISON ULTIMATE FRISBEE ASSOCIATION, INC.

_____ _____

Anna Jenstead President Date

FOR THE CITY OF MADISON

Satya Rhodes-Conway, Mayor	Date
Lydia A. McComas, City Clerk	Date

Countersigned:

David P. Schmiedicke, Finance Director	Date

Approved as to form:

Michael Haas, City Attorney	Date

Execution of this Agreement by City is authorized by Resolution Enactment No. RES-26-_____, ID No. _____, adopted by the Common Council of the City of Madison on _____, 2026 and approved by the Board of Parks Commissioners at its meeting on _____, 2026.

ATTACHMENT A

Special Terms and Conditions of Use
For the Ultimate Frisbee Field Use Agreement

1. League Start Dates.

   a. Spring leagues may commence no earlier than April 1, or as otherwise agreed to by the Parks Superintendent.

   b. Summer leagues may commence no earlier than June 1, or as otherwise agreed to by the Parks Superintendent

   c. Fall leagues may commence no earlier than August 15, or as otherwise agreed to by the Parks Superintendent.

   d. All leagues must conclude play by October 31 or as otherwise agreed to by the Parks Superintendent.

2. Premises and Priority Use.

   a. The Parks Division will make available fifteen ultimate fields each year of this Agreement at the following locations, which fields shall be designated as MUFA-Priority Fields, and collectively referred to herein as the "Premises":

      1) Burr Jones Park: Ultimate Fields #1 & #2
      2) Glacier Hill Park: Multipurpose Fields #1, #2, #3 & #4
      3) Manchester Park: Multipurpose Fields #1, #2, #3 & #4
      4) Midtown Commons Park: Multipurpose Fields #1, #2, #3 & #4
      5) North Star Park: Multipurpose Fields #1, #2, #3, #4, #5 & #6

      If fewer than fifteen fields are made available at these locations, then other fields will be identified as temporary replacements. The temporary replacement field would be treated equal to one of the 15 MUFA-Priority Fields

   b. MUFA will have priority use of the MUFA-Priority Fields from Monday to Thursday. The Parks Division will limit athletic and other reservations on these fields for the rest of the week. These fields remain public space and the general public is able to use them when there is not a reservation.

   c. The City will guarantee field space for reservations up to 4190 hours per year. This will include approximately 720 hours of field use in the spring, 3000 hours of field use in the summer and 470 hours of field use in the fall.

3. Fees and Payment.

   a. Field Use Fee. In 2026 and 2027 MUFA shall pay the City $5.50 per hour for use of a MUFA-Priority Field, including any temporary replacements, and $31 per hour

for use of any other City athletic field. These fees shall increase to $6 and $34 respectfully in the 2028-2030 seasons. The City will schedule MUFA on other City athletic fields only if MUFA requires more than the fifteen MUFA-Priority fields. The fees above include the use of lights during the fall league.

b. Player Fee. The Parks Division and MUFA recognize the use of the MUFA-Priority Fields for MUFA priority scheduling will result in degraded and unsafe field conditions if additional efforts towards maintenance are not made. Accordingly, MUFA shall pay the City a $10 fee for each player in the summer league. The funds attributable to the Player Fee shall be deposited in a non-reverting segregated revenue account to be used by the City for MUFA-Priority Field improvements and maintenance, or other ultimate fields as agreed to in writing by the Parties, in order to keep the fields at an acceptable level. The type of maintenance and improvements will be subject to the balance in the segregated non-reverting fund, and City budget authority. The Parties shall discuss planned improvements for the coming year by at least November 30 of each year of this Agreement.

c. Keys. All keys provided by the City must be returned to the Parks Division by November 1 of each year. MUFA will be charged $75 per key that is not returned.

d. Cancellations; Credits. If inclement weather prevents MUFA from using a reserved field, MUFA will contact the Parks Division as soon as possible but no later than 5 business days after the reservation to reschedule or request a credit. Failure to do so will forfeit any credit for a new date and MUFA will be billed for the reservation.

e. Billing. City will send an invoice to MUFA at the end of each league season, with full payment due in fifteen (15) days. MUFA will receive a spring invoice, summer invoice and fall invoice. The summer invoice will include the field use payment and the player fee payment.

f. Late Fee. City may charge a late payment fee of 12% per annum on unpaid balance outstanding over thirty (30) days.

4. City Responsibilities.

a. The City agrees to provide the following services at the Premises:

1) All pre and post-season field maintenance. "Field maintenance" shall include mowing, straightening and repair of fence posts, over-seeding, top-dressing, sod, repair and/or replacement of signage.

2) Parks Division staff will manage weeds, aerate, seed and fertilize all fields included in section 2.a. above. Fields designated as out of play for maintenance will receive additional maintenance efforts to include a second aerification, seeding and fertilizer treatment during the resting period.

3) Maintenance of existing lighting systems at Premises. If lights require replacement during term of agreement, City has option to replace lighting or transfer MUFA's reservation to a comparable field.

4) Daily cleaning and restocking of restrooms, if available.

5) Daily removal of trash from Premises.

6) Application of broadleaf herbicides to turf at Premises according to City policy.

7) Fertilization, mowing and watering of turf as deemed necessary by City.

5. MUFA's Responsibilities.

a. Submit field reservations to the City by January 24 for the ensuing year in order to receive priority scheduling of Premises.

b. Submit to the City an accounting of the number of players registered for the summer league one week before the summer league begins.

c. Provide all equipment necessary for league play.

d. Organize all league activities including but not limited to recruiting participants scheduling events.

e. Provide City with MUFA's written policy relating to stopping play because of lightning or other unsafe playing conditions caused by weather.

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92807

File ID:	92807	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	04/20/2026
File Name:	Authorizing the Parks Division to apply for a grant through the Brownfields Grant Program from the Wisconsin Economic Development Corporation for the Olbrich Park - North Parcel Site Remediation Project.			**Final Action:**	

Title: Authorizing the Parks Division to apply for a grant through the Brownfields Grant Program from the Wisconsin Economic Development Corporation for the Olbrich Park - North Parcel Site Remediation Project, the Mayor and City Clerk to sign the resulting grant agreement if awarded, and amending the 2026 Parks Division Capital Budget to allow for acceptance of up to $250,000, if awarded the grant. (District 15)

Notes:

Sponsors:	Sabrina V. Madison	**Effective Date:**	
Attachments:		**Enactment Number:**	
Author:	Mike Sturm	**Hearing Date:**	
Entered by:	nmiller@cityofmadison.com	**Published Date:**	

History of Legislative File

Ver-sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Parks Division	04/20/2026	Referred for Introduction				
	Action Text:	This Resolution was Referred for Introduction					
	Notes:	Finance Committee (5/11/26), Common Council (5/19/26)					
1	COMMON COUNCIL	05/05/2026	Refer	FINANCE COMMITTEE			Pass
	Action Text:	A motion was made by Madison, seconded by Glenn, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.					

Text of Legislative File 92807

Fiscal Note

The proposed resolution authorizes the Parks Division to apply for, and accept if awarded, grant funding from the Wisconsin Economic Development Corporation (WEDC) Brownfields Grant Program for up to $250,000. The grant will fund a portion of the cost of improvements for

the Olbrich Park - North Parcel park development and requires a 20% match of $50,000. Match funding is available in the 2026 Adopted Parks Division Capital Budget in the Garver Environmental Project (MUNIS 17169). If awarded, the Parks Division's Capital Budget will be amended to reflect the award. No additional appropriation is required.

Title

Authorizing the Parks Division to apply for a grant through the Brownfields Grant Program from the Wisconsin Economic Development Corporation for the Olbrich Park - North Parcel Site Remediation Project, the Mayor and City Clerk to sign the resulting grant agreement if awarded, and amending the 2026 Parks Division Capital Budget to allow for acceptance of up to $250,000, if awarded the grant. (District 15)

Body

WHEREAS, the Wisconsin Economic Development Corporation (WEDC) aims to fund projects through the Brownfields Grant Program that include the development and rehabilitation of brownfield sites; and,

WHEREAS, the Olbrich Park - North Parcel Park Development Plan was adopted by the Board of Park Commissioners on May 8, 2024 (Legislative File #83145), and outlines improvements to the Olbrich Park - North Parcel to develop a welcoming and environmentally responsible addition to Olbrich Park (the “Project”); and,

WHEREAS, the maximum award for the WEDC Brownfields Grant Program is $250,000, and the awardee is required to provide a twenty-percent match, which will be met by this Project; and,

WHEREAS, a pre-condition of redevelopment on this site requires extensive remediation of existing soil contamination on-site in compliance with State and City regulations; and,

WHEREAS, The Project will transform the area into a safe, environmentally responsible and inviting extension of Olbrich Park, provide enhanced green spaces, improved accessibility, and thoughtfully designed amenities that support recreation, community gathering, biodiversity, and urban wildlife habitat; and,

WHEREAS, the Grant requires a $50,000 match, which is authorized in the Parks Division’s 2026 Adopted Capital Budget.

NOW, THEREFORE, BE IT RESOLVED, that the City of Madison would benefit from the funds and assistance available from the Wisconsin Economic Development Corporation under the Brownfields Grant Program for the Project and will comply with the State rules for the program if awarded the grant; and

BE IT FURTHER RESOLVED, that the Parks Division is authorized, on behalf of the City, to apply for a grant of up to $250,000 through the Wisconsin Economic Development Corporation under the Brownfields Grant Program for the Project and sign all application materials; and,

BE IT FURTHER RESOLVED, that, if awarded the grant, the Mayor and City Clerk are authorized to enter into a grant agreement with the Wisconsin Economic Development Corporation, in a format approved by the City Attorney; and,

BE IT FURTHER RESOLVED that the Parks Superintendent, or designee, is authorized to act on behalf of the City in the administration of the grant award; and

BE IT FINALLY RESOLVED, that if the grant is awarded, the 2026 Parks Division Capital Budget shall be amended to appropriate the grant award and corresponding expenditures in the amount of the grant funds awarded, up to $250,000.

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 92946

File ID:	92946	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE
				File Created Date :	04/29/2026
File Name:	Approving an Intergovernmental Agreement between the City of Madison and Dane County related to the operations of the men's homeless shelter, located at 1904 Bartillon Drive, and authorizing the Mayor and City Clerk to sign that Agreement; authorizing the			**Final Action:**	

Title: Approving an Intergovernmental Agreement between the City of Madison and Dane County related to the operations of the men's homeless shelter, located at 1904 Bartillon Drive, and authorizing the Mayor and City Clerk to sign that Agreement; authorizing the Community Development Division (CDD) to accept up to $1,148,000 from Dane County to help fund the shelter's operations in 2026; and amending CDD's 2026 Adopted Operating Budget to recognize the receipt of those funds and authorize their expenditure. (District 12)

Notes:

Sponsors:	Dina Nina Martinez-Rutherford, John P. Guequierre, Barbara Harrington-McKinney And Julia Matthews	**Effective Date:**	
Attachments:	PROPOSED CITY-COUNTY SHELTER GRANT _4.30.26.docx, Shelter Update Memo to CC - March 10 '26.doc	**Enactment Number:**	
Author:	Linette Rhodes	**Hearing Date:**	
Entered by:	mbohrod@cityofmadison.com	**Published Date:**	

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Community Development Division	04/29/2026	Referred for Introduction				
	Action Text: This Resolution was Referred for Introduction						
	Notes: Finance Committee (5/11/26), Community Development Block Grant Committee (5/7/26), Common Council (5/19/26)						
1	COMMON COUNCIL	05/05/2026	Refer	FINANCE COMMITTEE			Pass
	Action Text: A motion was made by Madison, seconded by Glenn, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.						
	Notes: Additional referral to Community Development Block Grant Committee.						

1	FINANCE COMMITTEE	05/05/2026	Refer	COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE

Action Text: This Resolution was Refer to the COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE

Text of Legislative File 92946

Fiscal Note

The proposed resolution amends the Community Development Division's (CDD) 2026 Adopted Operating Budget to recognize up to $1,148,000 from Dane County for operations at the permanent men's shelter on Bartillon Dr. The funding consists of $1,078,681 of General Purpose Revenue appropriated to permanent shelter operations and an estimated $69,319 of General Purpose Revenue appropriated to temporary shelter operations that is anticipated to be unspent when that location ceases operations. Both appropriations were included in the 2026 Dane County Adopted Operating Budget. The attached memo sent to Common Council on March 10, 2026, from CDD Director Jim O'Keefe outlines how the funding for the shelter operations in 2026 came about and forecasted the need for this IGA.

The City of Madison 2026 Adopted Budget Executive Summary outlined the expenditure authority included in CDD's Operating Budget to operate the shelter in 2026 as an overnight shelter. The City's share of the operating costs is $1.5 million; that amount was determined through a homeless services and housing stability RFP process in 2025. The $1.5 million is contracted to Porchlight, Inc. to operate the shelter. The amount is included in CDD's Community Agency Contracts line within the Purchased Services major. An additional $200,000 is included in CDD's Other Services & Expenses line within the Purchased Services major to cover utility and maintenance expenses.

Dane County's portion of the shelter operations contract with Porchlight, Inc. could be handled in two ways: 1) A contract directly between Dane County and Porchlight, Inc, or 2) through an IGA with the City of Madison to administer Dane County's portion of the funds to Porchlight, Inc. The County chose option 2, necessitating the execution of this IGA.

CDD's agency revenues and corresponding expenditures will be amended to reflect these funds. The funding is not a City of Madison general purpose revenue; therefore, it does not impact the Expenditure Restraint Incentive Program (ERIP).The proposed resolution further approves an Intergovernmental Agreement (IGA) between the City of Madison and Dane County related to shelter operations and authorizes the Mayor and City Clerk to execute the agreement.

Title

Approving an Intergovernmental Agreement between the City of Madison and Dane County related to the operations of the men’s homeless shelter, located at 1904 Bartillon Drive, and authorizing the Mayor and City Clerk to sign that Agreement; authorizing the Community Development Division (CDD) to accept up to $1,148,000 from Dane County to help fund the shelter’s operations in 2026; and amending CDD's 2026 Adopted Operating Budget to recognize the receipt of those funds and authorize their expenditure. (District 12)

Body

WHEREAS, Wis. Stat. §66.0301 authorizes municipalities to contract with each other in order to work cooperatively in the joint exercise of their respective powers, and for the receipt and furnishing of services; and,

WHEREAS, the City of Madison and Dane County frequently engage in cooperative efforts, collaborations, which can involve the allocation of funding from one jurisdiction to another; and,
WHEREAS, the City and the County agree that it is in the public interest to combine their respective efforts to reduce homelessness in Madison, and other areas of Dane County in order to improve efficiency of the services they provide; and,
WHEREAS, the City and County collaborated to plan for, design and finance the construction of a purpose-built homeless shelter located at 1904 Bartillon Drive in Madison which will serve homeless single men in Dane County ("Shelter"); and,
WHEREAS, the City and the County are committed to supporting the long-term operation of improved services at the Shelter to meet the needs of homeless single men in the Dane County area; and,
WHEREAS, the Dane County 2026 Operating Budget, approved on November 5, 2025 by the Dane County Board of Supervisors and signed by the County Executive on November 12, 2025, allocates up to $1,078,681 of General Purpose Revenue to support operations at the Shelter in 2026; and,
WHEREAS, Dane County has an executed agreement with the operator at the temporary shelter and has agreed to transfer unspent expenditures, if any remain, at the end of the of the performance period to the City of Madison; and,
WHEREAS, the Budget further indicates that funding for Shelter operations shall flow to the City of Madison, rather than the operator; and,
WHEREAS, to codify this arrangement and other aspects of their collaboration regarding the Shelter, the City of Madison and Dane County agree to execute an Intergovernmental Agreement (IGA) that will address topics such as funding commitments, funding reimbursement procedures, fiscal and programmatic reporting, and other key policies relevant to the Shelter's operation.
NOW, THEREFORE, BE IT RESOLVED that the Common Council approves the provisions of the IGA between the City and Dane County related to their shared roles and responsibilities affecting operations of the Shelter; and
BE IT FURTHER RESOLVED that, upon approval of the IGA by the Dane County Board of Supervisors, the Council authorizes the Mayor and the City Clerk to accept up to $1,148,000 from Dane County for use in supporting Shelter operations in 2026; and,
BE IT STILL FURTHER RESOLVED, that the Council authorizes an amendment to the Community Development Division's 2026 Adopted Operating Budget to recognize receipt of $1,148,000 of County funding and its commensurate expenditure; and,
BE IT FINALLY RESOLVED, that the Council authorizes the Mayor and City Clerk to renew such agreements with Dane County, in forms approved by the City Attorney and Risk Manager, subject to the receipt of each year's funds and their inclusion in subsequent Community Development Division budgets.

INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF MADISON AND THE COUNTY OF DANE FOR THE OPERATION OF A MEN'S HOMELESS SHELTER

This intergovernmental agreement ("Agreement") is made by and between the City of Madison, a Wisconsin municipal corporation ("City") and the County of Dane, a Wisconsin quasi-municipal corporation ("County"), pursuant to Wis. Stat. § 66.0301.

WITNESSETH

WHEREAS, Wis. Stat. § 66.0301 authorizes municipalities to contract with each other in order to work cooperatively in the joint exercise of their respective powers, and for the receipt and furnishing of services;

WHEREAS, the City and the County agree that it is in the public interest to combine their respective efforts to reduce homelessness in Madison, and other areas of Dane County in order to improve efficiency and continued success of the services they provide, and;

WHEREAS, this shared interest led the City and the County to collaborate on the establishment of a purpose-built homeless shelter located at 1904 Bartillon Drive (the "Shelter") to serve homeless single men in the Dane County area, and the City and County continue to explore ways to ensure the Shelter's long-term success;

WHEREAS, the City and the County mutually desire to fund the operation of the Shelter, and;

WHEREAS, the conditions of this Agreement govern funding, funding reimbursement, fiscal and programmatic reporting, and related policies and procedures related to the operation of the Shelter", and not its physical plant, and;

WHEREAS, this Agreement shall be subject to the approval of the Dane County Board of Supervisors and the Madison Common Council:

NOW, THEREFORE, in consideration of the above premises and the mutual covenants of the parties hereinafter set forth, the receipt and sufficiency of which is acknowledged by each party for itself, the parties hereto do agree as follows:

I. **Purpose.** The parties agree to contribute to the operational costs of the Shelter, a year-round facility that shall provide certain services for homeless men. The Shelter will serve as the primary venue for shelter services for homeless men in the Dane County area.

II. **Location of services.** The Shelter shall provide services in a City-owned facility located at 1904 Bartillon Dr. in the City of Madison, Wisconsin.

III. **Effective Date and Term.** This Agreement shall become effective on the date of last signature ("Effective Date') and shall remain in effect until December 31, 2026, unless earlier terminated as provided herein.

IV. **Documentation and Cost-Sharing.** As specified in Appendix B, City agrees to document all costs incurred in providing Shelter services in sufficient detail so that the County can determine the nature and reasonableness of such costs. The County, upon the verification of monthly expenses, shall reimburse the City. The total amount of reimbursement shall not exceed $1,078,681 in 2026 ("County Contribution") for costs associated with the operation of the Shelter, including supportive services such as case management to Shelter guests ("Services'). The City shall invoice the County monthly for the County share of such expenses pursuant to County financial report expense requirements outlined in Appendix B.

City acknowledges that the County Contribution is not intended to fund the entirety of the costs associated with Services. In the event the City exhausts the County Contribution before the end of the Term, the City agrees that it shall remain responsible for ensuring that Services are provided to Shelter guests every day of the week, including holidays, by its contracted providers.

V. **Shelter Operator**. City agrees to notify County when the selection of a service provider ("Operator") is finalized.

VI. **Scope of Services and Policies.** City and County agree to work collaboratively to determine the scope of services for the Shelter. Proposed policies and procedures related to Shelter services and operations will be provided by City to County prior to the execution of City's contract with the Operator. City agrees that those policies set forth in Section X of this Agreement shall be included in Operator's proposed policies and procedures. County shall review the proposed policies and procedures to determine whether to provide its written approval. Such approval shall not be unreasonably withheld.

Substantive Shelter policy changes will not be made without prior mutual agreement between City and County. Substantive policy changes include:

i. Limits on Shelter use,
ii. Establishing priorities and/or preferences for filling open shelter beds,
iii. Days and hours of operation,
iv. Services provided on-site at Shelter, and
v. Policies related to grievance, complaint, and/or service termination and suspension.

VII. **Decision Making Authority.** City shall cooperate with the County to ensure a mutually acceptable level of Shelter services for guests and agrees to the additional conditions outlined in Appendix A. City shall take all reasonable and necessary

actions to ensure the Operator enforces those terms and conditions of the Agreement where applicable, as well as the terms outlined in Dane County Ordinance section , 30.04. City shall provide regular and ongoing communication to County regarding the administration of this Agreement and issues related to the Shelter as set forth in in Appendix A.

VIII. Ongoing Communication and Collaboration. Designated City and County staff will communicate at a minimum quarterly regarding the Shelter and Operator, including sharing program performance data, financial reports, and other information of interest and relevance to operation of the Shelter as requested by County on the schedule as outlined in Appendix C. City and County logos will be included in official promotions, statements, and other items related to publicizing the Shelter. City and County agree to provide copies of communications regarding the Shelter or related issues that are distributed to the media or public.

IX. Reporting. City agrees to the reporting requirements set forth in Appendix C.

X. Terms Material to This Agreement. City and County agree that the following terms are material to this agreement:

A. City shall ensure that Shelter incorporates the following policy for Shelter stay duration: If a Shelter guest is unable to secure housing within a timeframe agreed upon by City and County, they will not automatically lose their bed. However, at that time, case management requirements will increase, and active engagement in case management will be mandatory for that guest to continue their Shelter stay, pursuant to applicable Shelter program policies.

B. City shall ensure Shelter incorporates a policy for Shelter guest referrals to open beds that prioritizes the most vulnerable guests known to our community awaiting Shelter access. Markers used to assess vulnerability may include, but are not limited to, returns to Shelter from hospitalization, actively living in an unsheltered location or place not meant for human habitation, being age 65+, and/or meeting medical vulnerability criteria.

XI. Termination. This Agreement may be terminated only as follows:

A. If any party breaches this Agreement, the non-breaching party may notify the other in writing outlining the details of such breach, and requesting a remedy. If the breach is not remedied by the defaulting party within thirty (30) days from the date of written notification to remedy the breach, if the breach cannot reasonably be remedied within thirty (30) days, or if substantial steps to commence a cure are not initiated within such thirty (30) day period, then a party may, in addition to all of its other rights or remedies, immediately terminate this Agreement.

B. At any time, by mutual agreement of the parties.

C. Upon termination, City shall be entitled to submit reimbursement requests for the allowable and documented costs incurred prior to the effective date of termination. County shall have no obligation to reimburse any costs incurred after the effective date of termination, except as expressly authorized in writing by County.

XII. Liability. Each party shall be responsible for its own acts, errors or omissions and for the acts, errors or omissions of its employees, officers, officials, agents, boards, committees and commissions, and shall be responsible for any losses, claims, and liabilities that are attributable to such acts, errors, or omissions including providing its own defense, arising out of this Agreement. In situations involving joint liability, each party shall only be responsible for such losses, claims, and liabilities that are attributable to its own acts, errors, or omissions and the acts, errors or omissions of its employees, officers, officials, agents, boards, committees and commissions. It is not the intent of either party to waive, limit or otherwise modify the protections and limitations of liability found in Wis. Stat. § 893.80 or any other protections available to the parties by law**.** This paragraph shall survive the termination or expiration of this Agreement.

XIII. Notices. All notices to be given under the terms of this Agreement shall be signed by the person sending the same, may be delivered by email to an officer or duly authorized representative of the other party, or may be sent by United States Postal Service or a nationally recognized overnight carrier, to the address of the parties specified below:

For COUNTY:

Casey Slaughter Becker
Division Administrator
Housing Access and Affordability Division
Dane Co Job Center Attn: HAA- Casey Becker
1819 Aberg Avenue
Madison, WI 53704

For CITY:

Jim O'Keefe
Director
Community Development Division
Madison Municipal Building, Suite 300
215 Martin Luther King, Jr. Blvd
Madison, WI 53703

Any party hereto may, by giving five (5) days written notice to the other party in the manner herein stated, designate any other address in substitution of the address shown above to which notices shall be given.

XIV. Non Discrimination. In the performance of its obligations under this Agreement, both parties agree not to discriminate because of race, religion, marital status, age, color, sex, disability, national origin or ancestry, income level or source of income, arrest record or conviction record, less than honorable discharge, physical appearance, sexual orientation, gender identity, political beliefs, or student status. Both parties further agree not to discriminate against any contractor, subcontractor or person who offers to contract or subcontract for services under this Agreement because of race, religion, color, age, disability, sex, sexual orientation, gender identity or national origin.

XV. Miscellaneous

A. No Waiver. In no event shall the making of any payment or acceptance of any service required by this Agreement constitute or be construed as a waiver by either party of any breach of the covenants of this Agreement or a waiver of any default of the other party and the making of any such payment or acceptance of any such service by the conforming party while any such default or breach on the part of the other party shall exist, shall in no way impair or prejudice the right of the conforming party with respect to recovery of damages or other remedy as a result of such breach or default.

B. **Assignment.** Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other parties.

C. **Choice of Law**. It is expressly understood and agreed to by the parties hereto that in the event of any disagreement or controversy between the parties, Wisconsin law shall be controlling. Venue for any legal proceedings shall be in the Dane County Circuit Court.

D. Entire Agreements and Amendments. The entire Agreement of the parties is contained herein and this Agreement supersedes any and all oral agreements and negotiations between the parties relating to the subject matter hereof. The parties expressly agree that this Agreement shall not be amended by any fashion except in writing, executed by the parties.

E. Severability. The various provisions of this Agreement are declared to be severable and the findings of any court that any particular clause or clauses is or are unlawful or unenforceable shall not operate to invalidate the remainder of this Agreement and the same shall continue in effect unless modified by the parties.

F. **No Third Party Rights**. This is an Agreement between the parties, and nothing herein creates any rights in a third person.

G. Each party warrants for itself that it has complied with all applicable statutes, rules, orders, ordinances, requirements and regulations to execute this Agreement, and that the person or persons executing this Agreement on its behalf is authorized to do so.

H. **Counterparts and Transmittal of Signatures**. This Agreement may be executed in one or more counterparts, and all such executed counterparts shall constitute the same Agreement. A signed copy of the Agreement transmitted by facsimile electronic scanned copy (.pdf) or similar technology and shall be as valid as original. This Agreement may be converted into electronic format and signed or given effect with one or more electronic signature(s) if the electronic signature(s) meets all requirements of Wis. Stat. ch. 137 or other applicable Wisconsin or Federal law. Executed copies or counterparts of this Agreement may be delivered by facsimile or email and upon receipt will be deemed original and binding upon the parties hereto, whether or not a hard copy is also delivered. Copies of this Agreement, fully executed, shall be as valid as an original.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective officers or agents, duly authorized, as of the date across from the Parties signature.

CITY OF MADISON, a Wisconsin municipal corporation

By: _____ Date:_____
Name: Satya Rhodes-Conway
Title: Mayor

By: _____ Date:_____
Name: Lydia McComas
Title: City Clerk

Approved:

_____ _____
David Schmiedicke, Finance Director Date

Approved:

_____ _____
Eric Veum, Risk Manager Date

Approved as to form:

_____ _____
Michael Haas, City Attorney Date

Execution of this Agreement by the City of Madison is authorized by Resolution Enactment No. _____, File I.D. No. [_____], adopted by the Common Council of the City of Madison on [_____], 2026.

FOR COUNTY

_____	_____
Melissa Agard, Dane County Executive	Date Signed
_____	_____
Scott McDonell, Dane County Clerk	Date Signed

APPENDIX A

City shall:

1. Not utilize County's funds for any purpose other than support of the Shelter.

2. Proactively involve designated staff from the Dane County Department of Human Services' (DCDHS) Housing Access and Affordability Division (HAA) in discussions that could result in major program or policy updates, contract changes, or other notable system impacts regarding the administration of The Shelter operations.

3. Proactively involve designated staff from DCDHS HAA in any monitoring/programmatic auditing of The Shelter or The Operator to be conducted by The City.

4. Meet regularly with designated staff from the DCDHS HAA Division to discuss areas of mutual interest related to The Shelter including but not limited to community relations, safety, service provision, shelter guest experience, etc.

APPENDIX B

1. Regarding method of payment:

   A. Within 90 days of the execution of this Agreement, City shall submit a program Budget and Personnel Schedule in a format provided by The County outlining expenses that will be reimbursed to The County.

   B. City shall follow the rules for allowable expenses as outlined by the 2026 Dane County Department of Human Services Budget and Personnel Schedule form.

   C. Reimbursement requests from City will be supported with required monthly expense reports. Monthly expense reports shall be submitted by the 25th of the following month to the designated County contract manager.

   D. Program costs should be managed and incrementally billed in proportion to the full term of the Agreement to ensure revenue received by City coincides with the Agreement period. Regardless, City is required to ensure its Operator performs contracted service delivery for the full term of the contract. However, in the event the costs of Shelter Services exceed budgeted amounts, nothing in this Agreement obligates the City to provide funds more than the authorized City Contribution to maintain those Services.

   E. Payments made to City will be made in an amount not to exceed actual allowable costs incurred for the monthly expense report period. Under no circumstances will the total contract payment exceed the authorized County Contribution.

APPENDIX C

City agrees:

1. To provide quarterly, copies of Operator's performance reports that are required under any agreement between the City and the Operator, including but not limited to any metrics required under the Consolidated Annual Performance Evaluation Report (CAPER).

2. At conclusion of the monitoring process, to provide copies of any monitoring findings/resolutions the City requires The Operator to provide as a condition of their contract.

3. To provide a summary of any programmatic contract violations by The Operator on a quarterly basis.

4. To immediately provide information regarding substantial contract violations as soon as practical after City's knowledge of such violations.

Department of Planning & Community & Economic Development
Community Development Division
215 Martin Luther King Jr Blvd, Ste. 300
Mailing Address:
P.O. Box 2627
Madison, Wisconsin 53701-2627
Phone: (608) 266-6520
Fax: (608) 261-9626
www.cityofmadison.com

Child Care
Community Resources
Community Development Block Grant

Memo

To: All Alders, Mayor Rhodes-Conway
From: Jim O'Keefe
Date: March 10, 2026
Re: Update on New Men's Shelter

I am writing to update you about the approaching opening of the new men's shelter.

This City-owned facility is located on Madison's east side, at 1904 Bartillon Drive. The $25+ million project was financed with funds from City, County and Federal sources. Its design and construction were managed by the City's Engineering Department. (Kudos to Bryan Cooper, Jon Evans, Maria Delestre and their team!)

BUILDING FEATURES
The building incorporates these key features to reduce operating expenses and to address issues highlighted by people with lived experience, shelter staff and others in community engagement sessions:

- A **geothermal system** designed to lessen heating and cooling demands;
- A **solar panel** array to reduce energy costs;
- Capacity to serve 250 people in a setting that replaces the conventional single, large congregate **sleeping space with six smaller pods**;
- **Flexible meeting rooms** where service providers can work with guests;
- Separate spaces for those who, due to mobility, health or behavioral issues, are better served apart from the general population;
- Abundant natural light, secure outdoor areas, full bathroom and shower facilities, security cameras, and **bunks equipped with electrical outlets and secure storage lockers**; and
- A **commercial grade kitchen** in which the operator will prepare meals and provide employment training for shelter guests.

OPENING THE SHELTER
The shelter will open this spring. Construction is substantially complete; installation of furniture and fixtures is proceeding. Porchlight, Inc., the organization chosen to operate the shelter, is beginning to familiarize staff with the building's spaces and systems. Porchlight is also working with City and County staff to develop and install systems and policies integral to the shelter's day-to-day operations. When an opening date is set, we will share it.

Opening details

The shelter will open as an overnight shelter, though the goal remains to operate it 24/7. More on that below.

The shelter budget for 2026 is $3.5M – somewhat higher than initial estimates. It covers operating costs at both the current site on Zeier Road, and the new location when it opens. City ($1.5M) and County ($1.4M) governments are the primary funders, with modest contributions coming from the State and Porchlight's fundraising. Porchlight's Board of Directors has approved this budget.

The City's 2026 contribution was determined in last summer's Homeless Services RFP process. A corresponding purchase of services contract is finalized. Separately, $200,000 is budgeted for expenses (utilities and building repairs) not included in Porchlight's $3.5M operating budget, bringing the total City outlay to $1.7M.

City staff are still negotiating a facility agreement with Porchlight that will assign roles and responsibilities regarding the building's use. It is much more detailed than what has governed previous arrangements for temporary sites.

In authorizing its financial support, the County Board specified its funds will flow through the City. The County will not contract with Porchlight. It also anticipates that the City and County will memorialize their collaborative relationship in an intergovernmental agreement (IGA). These two provisions make necessary the following Council actions:

- **The Council must amend the City's 2026 Operating Budget to accept County funds and authorize their use**. A resolution detailing this amendment will be prepared in coming weeks.
- **The Council and County Board will need to approve the terms of a City/County IGA**. County staff have prepared an initial draft which is being reviewed by the City Attorney's Office. A second resolution, seeking this approval, will be presented to the Council.

Changes coming to shelter

The new shelter is not going to end homelessness here, but it can play an important role in achieving our community's stated goal of making homelessness rare, brief and non-recurring. Neither is the shelter meant to substitute for housing, rather, it will offer a temporary place for unhoused men to stay while they search for housing. If successful, it will shorten lengths of stay and increase the number of people it can serve.

The shelter's opening will bring these important changes:

- **The shelter will no longer operate as a drop-in shelter** in which people gain entry each night merely by showing up. Instead, a person will get access through a Porchlight-managed registration system and, once registered, retain their access from night to night.

- The new shelter has **capacity to sleep 250 people**. Moreover, its design prevents it from exceeding its capacity as Zeier and other temporary venues routinely did. This means it does not have room to serve everyone currently using the Zeier facility. In determining which current guests will move over, Porchlight will prioritize guests based on person-specific information taken from our local Coordinated Entry system. Prioritization rankings will consider factors like age (65+), medical vulnerability (e.g., dependence on medical equipment) and length of time in shelter, etc. Guests who don't move to the new shelter will be able to place their names on a waiting list which will be used when openings occur.

- The new shelter will focus on helping guests secure housing. On-site case managers will work with guests to develop individualized housing plans and be available to help implement them. The shelter will not impose a limit on how long a guest may stay but it will require anyone using shelter more than 90 days to be actively

engaged with case management. Thus, **a guest will not have to leave shelter just because he cannot find housing**. **But he will be asked to leave if he has not found housing after 90 days and chooses not to work with a case manager.**

- This week, Porchlight will provide written notice to current and recent shelter users. It will inform people about the impending move and other coming changes. The goal is to let people know what to expect and give them some time to prepare for the transition. CDD staff will take part in a meeting at the shelter next week to provide more details and answer questions. Soon, Porchlight will begin reaching out to people whose prioritization rankings make them likely candidates to move to the new shelter.

TOWARD A FULL-TIME SHELTER

The ability to connect shelter guests to housing is greatly enhanced if the facility remains open during the day. It provides a space, and the time, for shelter users to work with service providers – neither of which has been available in shelter settings. **But keeping the building open requires resources beyond the $3.5 million operating budget described earlier**. Initial estimates put the cost of a 24/7 operation at $4.2M but that number is currently under review and is likely to rise.

This shelter was built for use throughout the day. However, that potential will only be realized if broader financial backing from the community materializes. Local governments have done all they can, the challenge now is to convince non-government sources to participate – just as they do for shelters in communities across the country, and just as they once did here in Madison. **A local group, Shelter Friends of Dane County, is leading private fundraising efforts** and reports good early response. It is pursuing dual goals:

- Solicit donations to establish an endowment that would generate annual contributions toward shelter operations. The City pledged $2M to that endowment, the first $1M was conveyed in 2025.
- Raise funds on an annual basis sufficient to cover the added cost of expanded operations. Shelter Friends expects this aspect of its fundraising will diminish as the endowment grows.

TRANSITION

In closing, I want to acknowledge apprehension over the likelihood that some current shelter users will be left out in transitioning to the new facility. Those concerns have prompted calls for an overflow shelter for those not able to be served at Bartillon. Indeed, Dane County's 2026 Budget contains $440,000 for an overflow shelter and the County is currently soliciting proposals through an RFP process. But the County has not identified a site for this purpose nor the funds to acquire one. And while it is widely presumed the City would make the Zeier property available, its current condition precludes that option unless, or until, needed repairs are made. The extent of those repairs awaits a planned assessment by City Engineering. In short, questions about funding adequacy, site availability and experienced operators make prospects for an overflow shelter implausible in the short term.

It is very difficult to know how many people this transition might displace, or for how long. This is a constantly changing population. Shelter utilization fluctuates – during the span of a year, even day-to-day. In the last week of February alone, nightly shelter counts ranged from 394 to 314. The average night in December saw 340 guests; last May it was 284. And, there is considerable turnover in shelter use – the data shows that half of those that use shelter do so for less than 30 days.

The focus now is on giving people information and time to prepare. Written notifications beginning this week are part of that effort. Porchlight staff, including case managers, continue to work with guests, as do other service providers, to help connect them to available housing resources. Those efforts will continue right up to the date of the move, and beyond.

This is a big deal, and it's happened only because City policy makers, you all, have provided the necessary leadership and commitment. I can't begin to tell you how much those of us involved in the project appreciate your support. Now, we turn our attention from merely making it happen – to the equally challenging task of making it successful. Madison will be better for it.

City of Madison

City of Madison
Madison, WI 53703
www.cityofmadison.com

Master

File Number: 93042

File ID:	93042	**File Type:**	Discussion Item	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	05/07/2026
File Name:	Overview of 2027 Capital Budget Requests			**Final Action:**	
Title:	Overview of 2027 Capital Budget Requests				
Notes:					
Sponsors:				**Effective Date:**	
Attachments:	2027 CIP Request Overview Presentation FC.pdf			**Enactment Number:**	
Author:				**Hearing Date:**	
Entered by:	abannon@cityofmadison.com			**Published Date:**	

History of Legislative File

Ver-sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	FINANCE COMMITTEE	05/07/2026	Refer	FINANCE COMMITTEE			

Action Text: This Discussion Item was Refer to the FINANCE COMMITTEE

Text of Legislative File 93042

Title
Overview of 2027 Capital Budget Requests

2027 Capital Budget: Agency Request Overview

Finance Committee
May 11, 2026

Agenda

- 2027 CIP Request Highlights: Changes by Funding Source
- Highlights by major projects
- Agency Request Summaries
- Budget Timeline and Process

2027 CIP Request Highlights: Changes by Funding Source

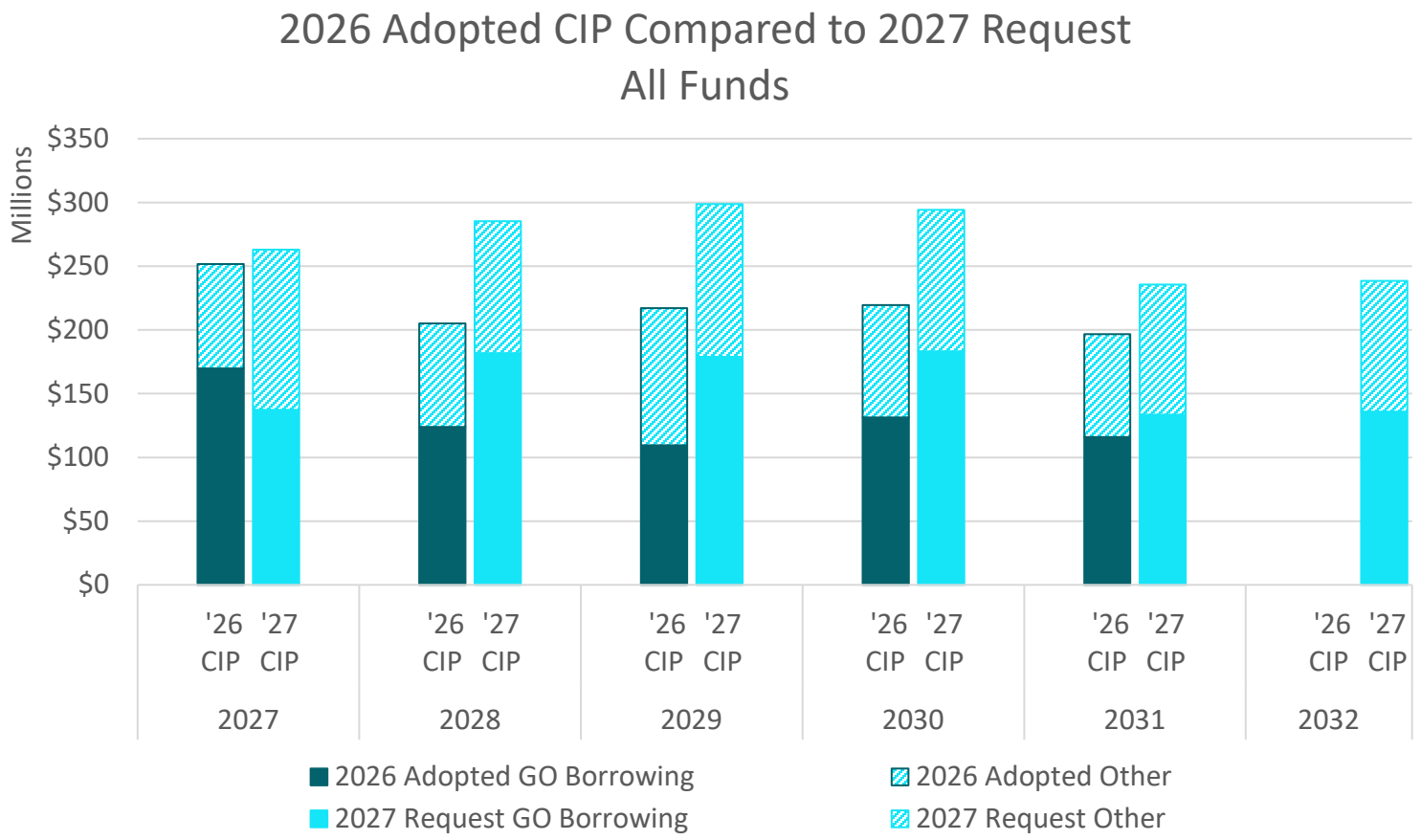
Note on CIP Analysis

- Following slides compare the 2027 Request to the 2026 Adopted CIP
- When noting budget changes (e.g. increase in funding request), we are comparing the overlapping years of the CIP (2027 – 2031)
- Comments do not include funding requested in 2032 unless explicitly stated

Budget Phase	2026	2027	2028	2029	2030	2031	2032
2026 Adopted CIP	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	n/a
2027 Request	n/a	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,500,000

2026 Adopted = $5.0 million
2027 Request = $6.25 million; $1.25 million increase

2027 Request is $286.4 million greater than 2026 Adopted CIP (all funds)



2027 – 2031

- 2027 Request for 2027 - 2031 = $1.38 billion
- Adds $286.4 million compared to the same period in 2027 adopted CIP
- $164.1 million of additional funding is GO borrowing

2032

- Request adds $238.5 million in 2032, including $135.8 million in new borrowing

Contextualizing the 2027 increase

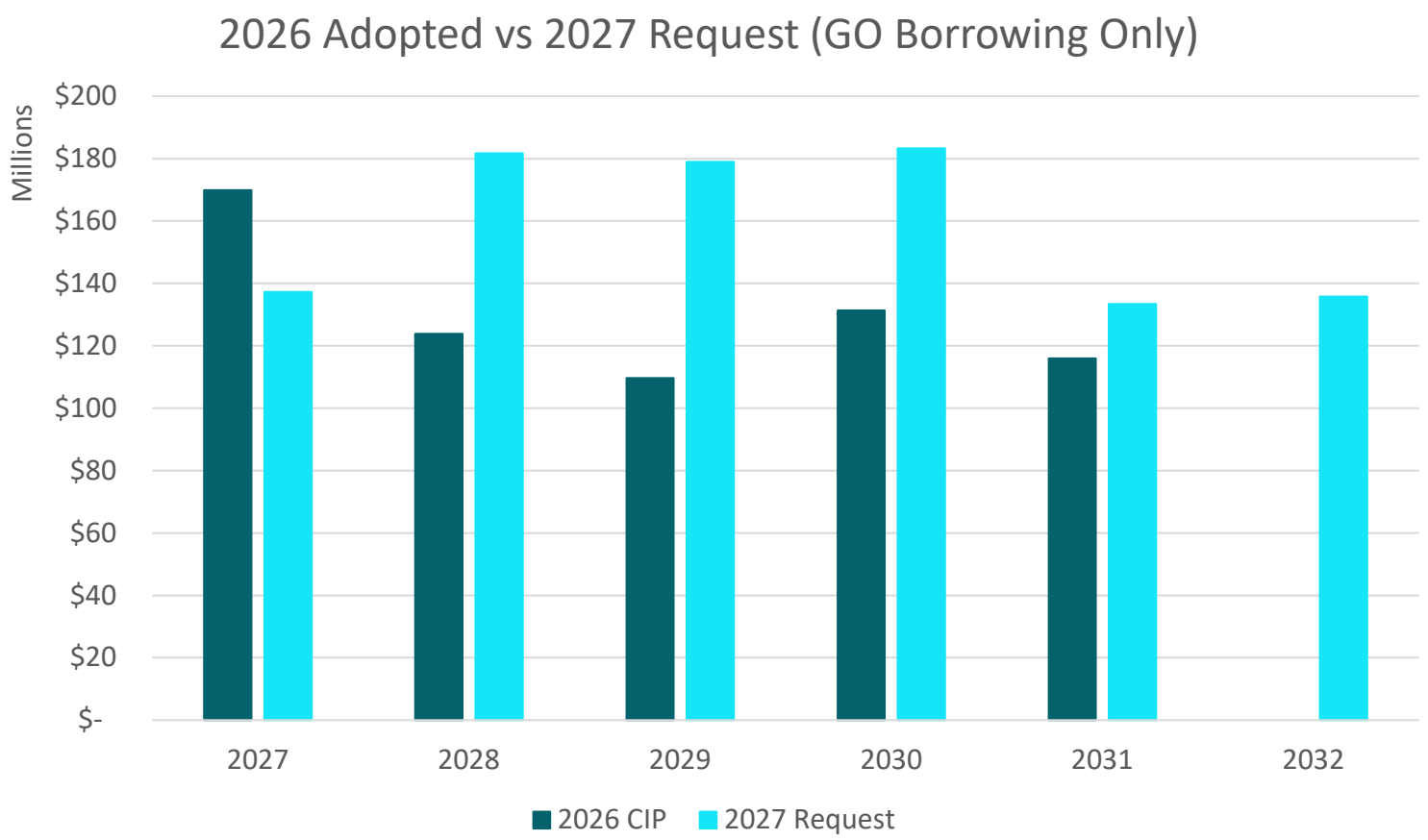
2026 Budget

- During last year's budget development process, agency requests for the 2026 CIP was **$62.7 million** higher than the 2025 CIP. This was a **9.1% increase**.
- The 2026 Adopted CIP is **$55.2 million** higher than the 2025 Adopted CIP. Executive Budget made modest adjustments to agency proposals, but most of the reduction between request and adopted was due to removing or pushing back a few projects (Hoepker Rd/ Portage Rd, John Nolen Drive underpass, additional funding for PH Clinic).

2027 Request

- Request adds **$286.4 million** to the 2026 CIP. This is a **26.3% increase**.
- This is almost **5 times greater** than last year's increase.

2026 Request includes $164.1m in new GO borrowing

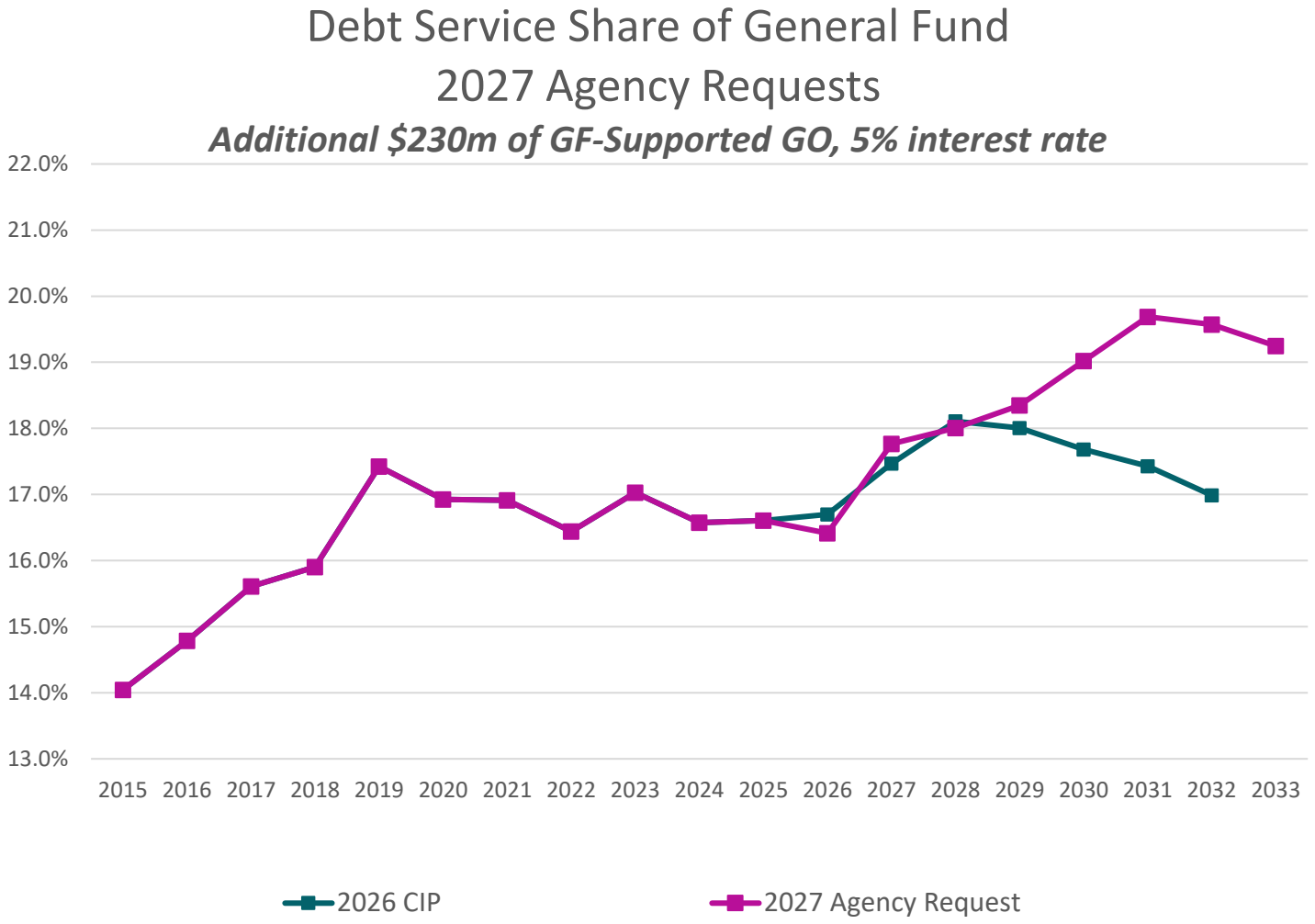


- Budget guidance for agencies set citywide GO borrowing target to remain at 2026 Adopted CIP levels
- Guidance did not set hard target for agencies, allowed for new funding/project requests
- Request is 25% higher than 2026 Adopted CIP
- Decrease in 2027 ($32.6m) primarily due to pushing back Police South District to 2029

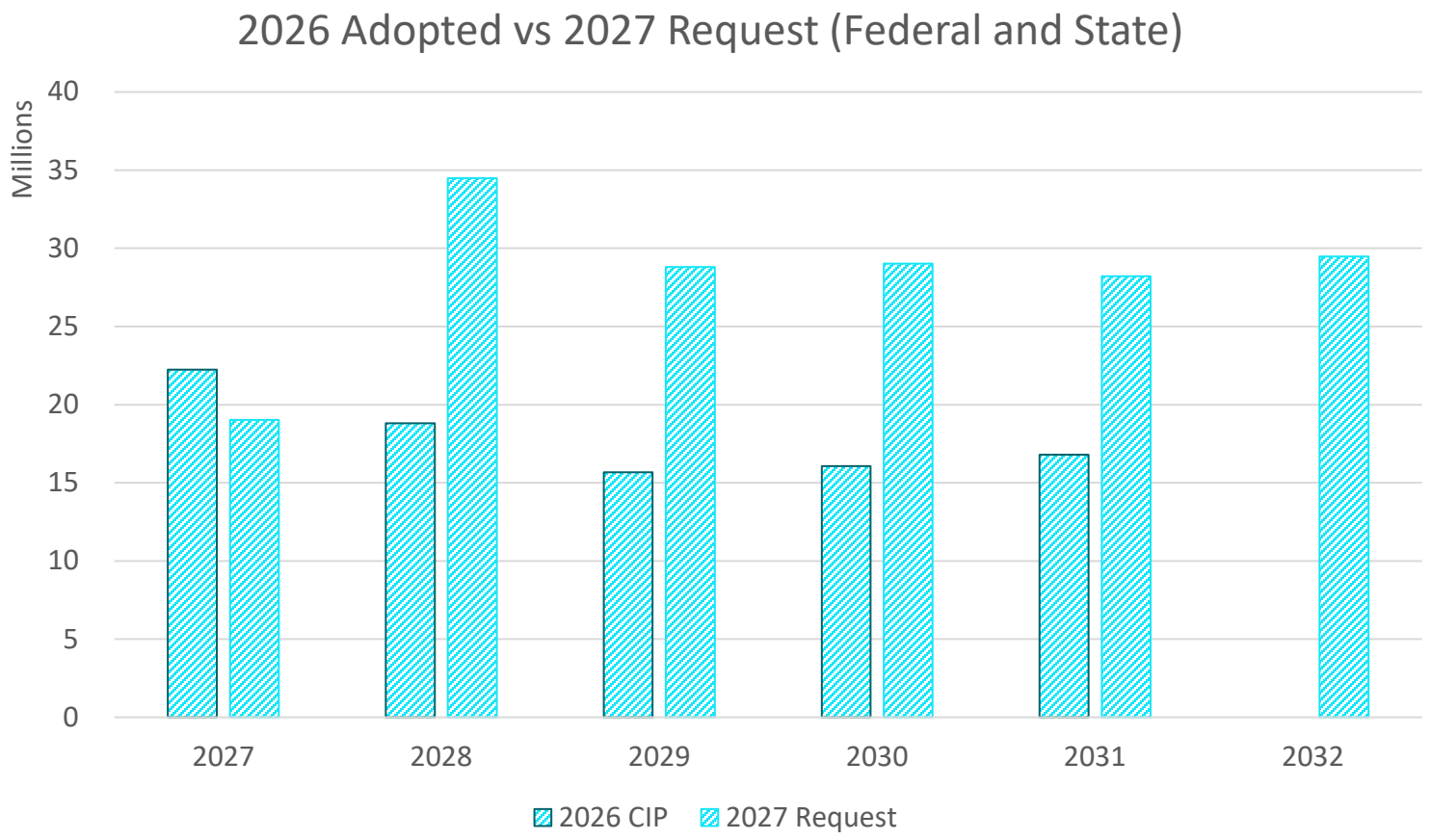
Citywide Borrowing Targets

Overall Target: Keep projected debt service at or below current levels(~18%) throughout the CIP time horizon.

- Adding request-levels of borrowing would increase debt service share to almost 20% in 2031
- Model reflects higher interest rates than prior year



Federal & State Funding Assumptions



- Request adds $56 million in federal funding, primarily in Metro ($45.5m), TE ($8m) and assumptions of continuing IRA tax credits for geothermal ($3m)
- Request reduces state sources by $6.1m, primarily due to removing $7.0m in state funds from Water (replaced by GO borrowing) and other adjustments

Variances greater than $1m by Funding Source

Funding Source	Difference (2027 Request – 2026 Adopted)	Comments
GO Borrowing		
GF GO Borrowing	$118,686,814	2 new facilities account for $95.8, (Sayle St, North District)
Non-GF GO Borrowing	$45,382,134	Engineering Reconstruct Streets ($11.6m), Fleet ($4.1m), Parks/ Golf ($2.8m), Metro ($10m), Monona Terrace ($6.2m), Water ($10m)
Federal & State		
Federal Sources	$56,009,850	Metro ($45.5m), TE ($8m), IRA geothermal ($3m)
State Sources	-$6,065,000	Water (-$7m); CDD ($685k); Stormwater ($250k)
Other Sources		
Developer Capital Funding	$33,000,000	CDA Triangle
Impact Fees	$3,317,000	Park Land Improvements ($2.7m); Stormwater Flood Mitigation ($800k)
Other Govt Pmt For Services	$5,400,000	John Nolen Drive jurisdictional transfer
Reserves Applied	$21,705,415	Water ($20.6m); many other changes
TIF Increment	$7,945,000	EDD ($1.1m); Sewer ($860k); Parks ($6m)
Transfer In From General Fund	$1,111,755	Finance ($512k based on cost allocation); IT ($600k software)

Major Projects

Major Facility Projects add $143.7 million (all funds)

Agency	Project	2026 Adopted	2027 Request	Comments
CDA Redevelopment	Triangle Redevelopment	$0	$25.0 million	Phase 2
Monona Terrace	Building Improvements	$5.6 million	$11.8 million	Energy efficiency upgrades ’27-’28
Police	South District	$42.5 million	$47.7 million	Construction moved from ’27-’29
Engineering Facilities	CCB Office Remodels	$15.3 million	$15.3 million	Moved from ’27-’28 to ’28-’29
	Fire Station 10/ Police North District	$0	$34.5 million	Design ’27, Construction ’28
	Streets Badger Office Remodel	$0	$5.0 million	Design ’27, Construction ’28
	Streets Sycamore Partial Remodel	$0	$1.8 million	Design ’28, Construction ’29
Parks	Odana Hills Clubhouse	$2.7 million	$4.3 million	Moved up from ’29 to ’27
Transportation	Sayle St Replacement	$0	$64.3 million	Construction ’30

Major GO Borrowing Changes: $32.6m removed from 2027

Proposals with a $1m+ change (increase or decrease) in GO Borrowing compared to 2026 Adopted CIP
Includes all sources of GO borrowing, including non-general fund borrowing (e.g. utility and TID supported GO)
Amounts below show the increase, not the total project cost

- **Engineering Facilities:**
  - -$8.3m for CCB Office Remodels moved back to 2029
  - +$3.0m for Fire Station 10/ Police North District
- **Engineering Major Streets:** -$1.0m Regent Street, funding added to 2032
- **Library:** +$1.1m Library Service and Support Center Siding
- **Metro:**
  - +$1.8m new Preventative Maintenance and Capital Leasing program
  - -$2.4m Transit buses and charging equipment
- **Parks:** +$2.8m for Odana Hills Clubhouse
- **Police:** -$38.6m for South District construction moved back to 2029
- **Stormwater:** +$5.0m Stormwater Quality System Improvements

Major GO Borrowing Increases: $57.8m added to 2028

Proposals with a $1m+ change (increase or decrease) in GO Borrowing compared to 2026 Adopted CIP
Includes all sources of GO borrowing, including non-general fund borrowing (e.g. utility and TID supported GO)
Amounts below show the increase, not the total project cost

- **Engineering Bike Ped:** -$4.1m Stoughton Rd Ped/Bike Enhancements
- **Engineering Facilities:**
  - +$30.5m Fire Station 10/ Police North District
  - +$4.6m Streets Badger Office Remodel
- **Engineering Major Streets:** +$5.1m Reconstruct Streets
- **Metro:** +$1.9m new Preventative Maintenance and Capital Leasing program
- **Monona Terrace: +**$5.5m Building Improvements
- **TE:** +$2.0m Safe Streets for All grant match
- **Transportation:** +$8.0m Sayle St Replacement
- **Stormwater:** +$1.9m Warner Park Relief Storm Sewer
- **Water:** +$1.5m New Water Facility Planning

Projects with a variance of $1.0m+ in any year of the CIP (Engineering Agencies)

Agency	Project/Program Name	Change 2027	Change 2028	Change 2029	Change 2030	Change 2031
Engineering - Bicycle and Pedestrian	Stoughton Road Ped/Bike Enhancements		-$4,085,000	$2,000,000	$3,735,000	
Engineering - Facilities Management	CCB Office Remodels	-$8,250,000		$8,250,000		
	Fire Station 10 / Police North District Facility	$3,000,000	$30,500,000			
	Streets Badger Office Remodel (collocate Streets and Parking Enforcement at 1501 W Badger Road)		$4,640,000			
	Streets Sycamore Partial Remodel (collocate EN-Facilities Operations with Streets/Parks/Weights+Measures)			$1,600,000		
Engineering - Major Streets	High Point/Raymond/MidTown				-$13,400,000	$14,072,000
	Midvale Blvd			$2,000,000		
	Reconstruction Streets		$5,095,000	$1,465,000		
	Regent Street	-$1,000,000				
Stormwater Utility	Citywide Flood Mitigation	$4,975,000		$1,215,000		
	Lower Badger Mill Creek Pond at Mineral Point Rd					-$3,150,000
	Warner Lagoon Dredging			-$3,620,000		
	Warner Park Relief Storm Sewer		$1,890,000			

Projects with a variance of $1.0m+ in any year of the CIP (All Other Agencies)

Agency	Project/Program Name	Change 2027	Change 2028	Change 2029	Change 2030	Change 2031
Library	Library Service and Support Center Siding	$1,075,500				
Monona Terrace	Building and Building Improvements		$5,500,000			
Police Department	South District Station and Property & Evidence Facility	-$38,550,000		$43,700,000		
Parks Division	Odana Hills Clubhouse Improvements	$2,800,000				
Streets Division	Sycamore Salt & Sand Barn				$3,300,000	
Water Utility	New Water Facility Planning		$1,500,000	$1,000,000	$2,700,000	-$2,200,000
	Well 27 Iron & Manganese Mitigation				$1,000,000	$6,000,000
Metro Transit	Preventative Maintenance & Capital Leasing	$1,836,423	$1,928,244	$2,024,657	$2,125,889	$2,232,184
	Transit Buses and Charging Equipment	-$2,395,274				
Traffic Engineering	Safe Streets and Roads for All Federal Grant Program		$2,000,000			
Transportation	Sayle Street Facility Replacement		$8,000,000	$4,000,000	$50,326,925	
	Temporary Passenger Rail Station			$2,020,000		

Agency Request Summaries

Request Files Available: 2027 Capital Budget Page

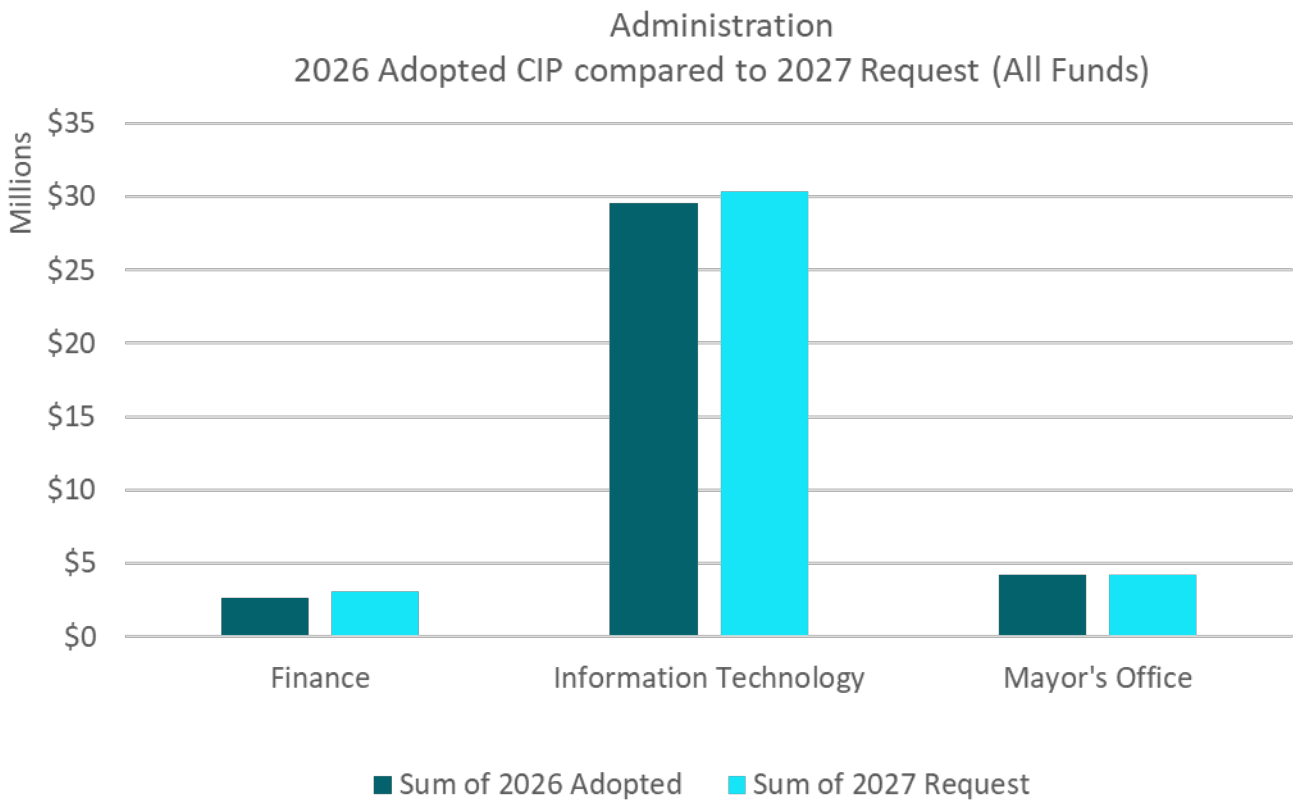
Summary File

- **Agency Request Summary & Analysis:** Capital request by year along with summary of key changes from 2026 Adopted to 2027 Agency Request (prepared by Budget Team).
- Intended to be a shorter, more accessible overview of requests. Recommend starting with this document and going to the full packet for additional details.

Full Agency Packet

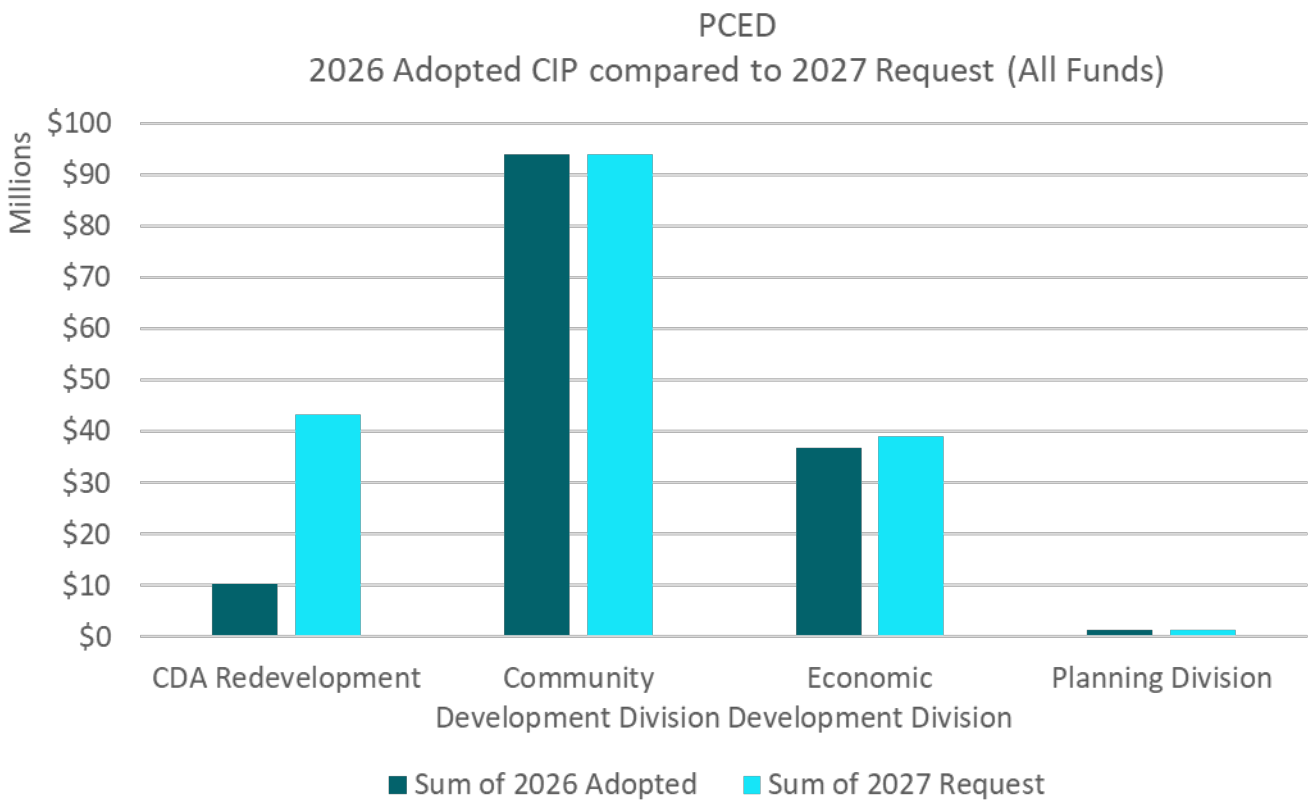
- **Agency Request Summary & Analysis:** Capital request by year along with summary of key changes from 2026 Adopted to 2027 Agency Request (prepared by Budget Team)
- **Transmittal Memo:** Summary memo from department head
- **Capital Proposals:** Proposal for each program/ project within the capital request
  - **"Short Form":** simplified proposal for programs/ projects with minimal changes
  - **"Long Form":** comprehensive proposal for new programs/ projects or requests for additional funding

Major Requests by Agency: Administration



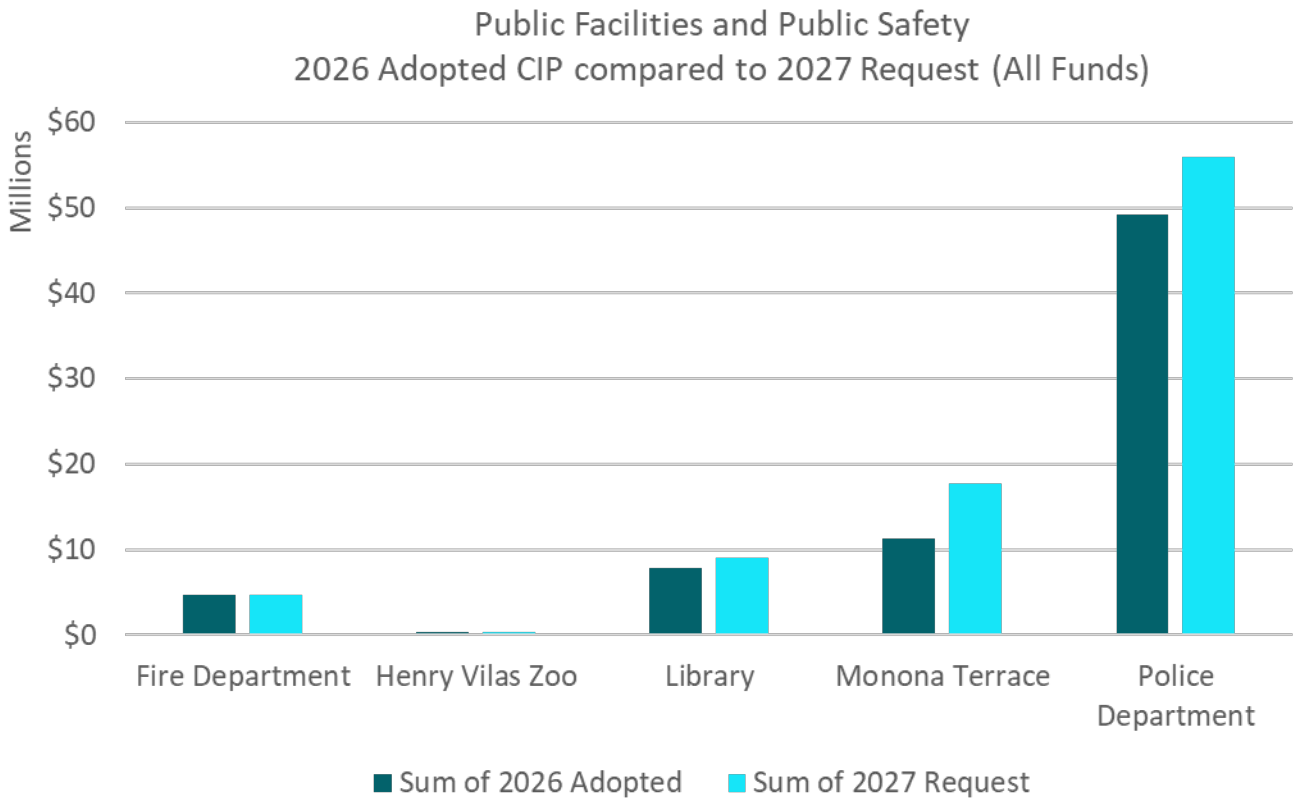
- Finance:
  - Increase to reflect growth in cost allocation plan
- IT:
  - $835k increase across multiple programs from 202-2031
  - Shifts funding between programs to better align with program purposes
- Mayor/ Sustainability:
  - No change

Major Requests by Agency: Planning & Development



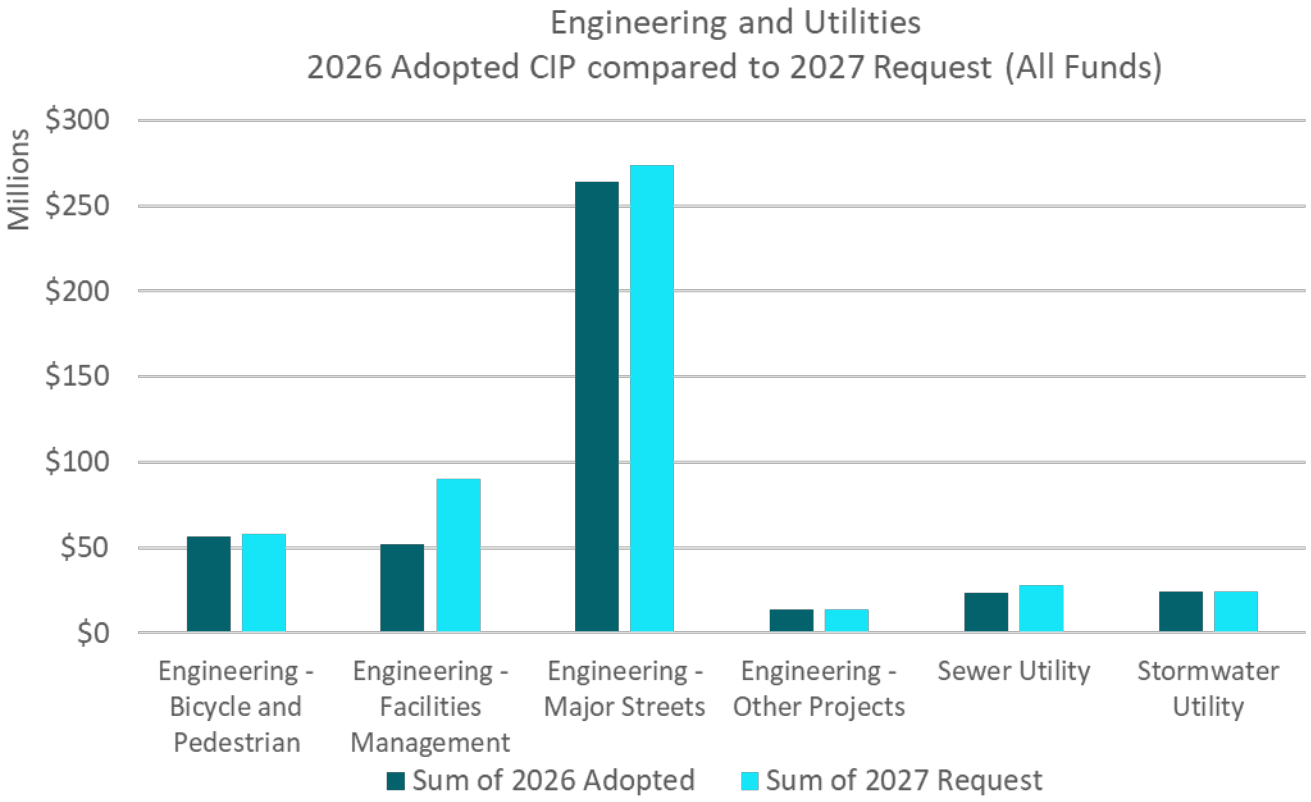
- CDA Redevelopment:
  - $33.0m additional develop funding for Affordable Housing program ($8.0m) and Triangle Redevelopment ($25.0m)
- CDD:
  - No major changes; may submit updated request in July related to TID funding
- EDD:
  - $2.2 million increase, primarily for TID-supported GO borrowing to create new TID districts 56 and 57
- Planning:
  - Minor increase to staff allocation

Major Requests by Agency: Public Facilities, Public Safety



- Fire
  - No major changes
- Henry Vilas Zoom
  - No major changes
- Library:
  - Requested $1.1m for Library Service and Support Center siding project, funded in prior CIPs (2021 and 2023)
- Monona Terrace
  - $6.2m increase in building improvements program for energy efficiency. Also submitted Horizon List request for $22m geothermal project.
- Police
  - South District increased $5.2m, construction moved back to 2029
  - New BWC project ($414k)
  - New Police Intervention Equipment Replacement Program ($1.2m)

Major Requests by Agency: Engineering + Utilities



Bike/ Ped:

- Stoughton Rd project increased $1.7m

Facilities:

- Increased $38.6m. Added 4 new projects related to facilities long range plan, including multiple facilities to co-locate departments.
- Changes to scope of maintenance programs for community facilities

Major Streets:

- John Nolen Drive – Added $5.4m from jurisdictional transfer
- New project for Midvale Blvd ($2.0m)
- Pavement Management decreased $10.1m, Reconstruction Streets increased $12.3m

Other:

- No major changes

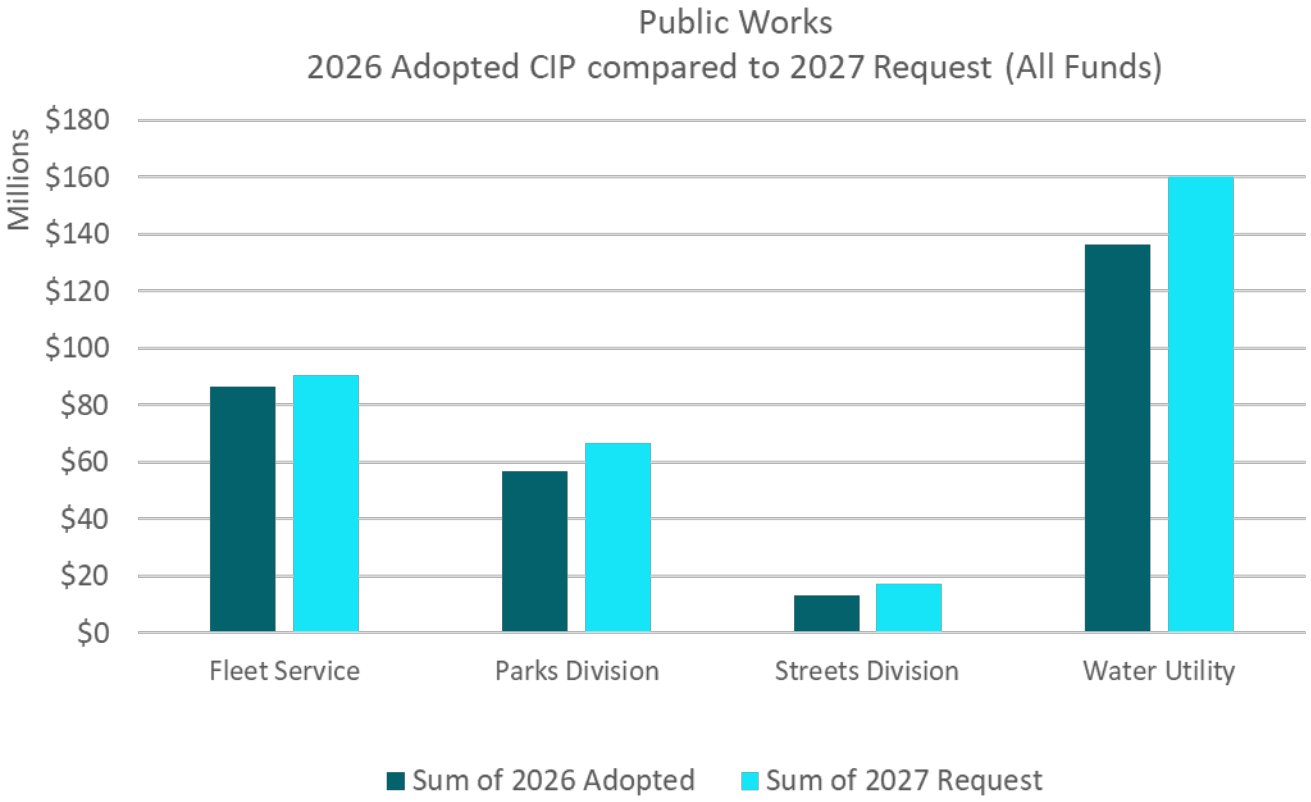
Sewer

- $4.9 million increase across multiple programs

Stormwater

- $5.9 million increase in Citywide Flood Mitigation program, partially offset by reducing other programs
- New project for Warner Park Relief Storm Sewer ($2.7m)
- Moves Warner Lagoon Dredging and Lower Badger Mill Creek Pond to Horizon List

Major Requests by Agency: Other Public Works



Fleet Service:

- Request increased $4.1m. Fleet Equipment Replacement increased $2.1m and added new Police vehicle upfitting program

Parks Division:

- $9.9m increase (all funds)
- Major changes include: Forest Hills Cemetery added back to CIP ($1.6m); New program for Golf Improvements; $1.0m additional TIF increment for LakeWay; $1.7m additional funding for Odana Hills Clubhouse Improvements; $6.2m additional funding for Park Land Improvements; $4.7m additional for Vilas Park Improvements

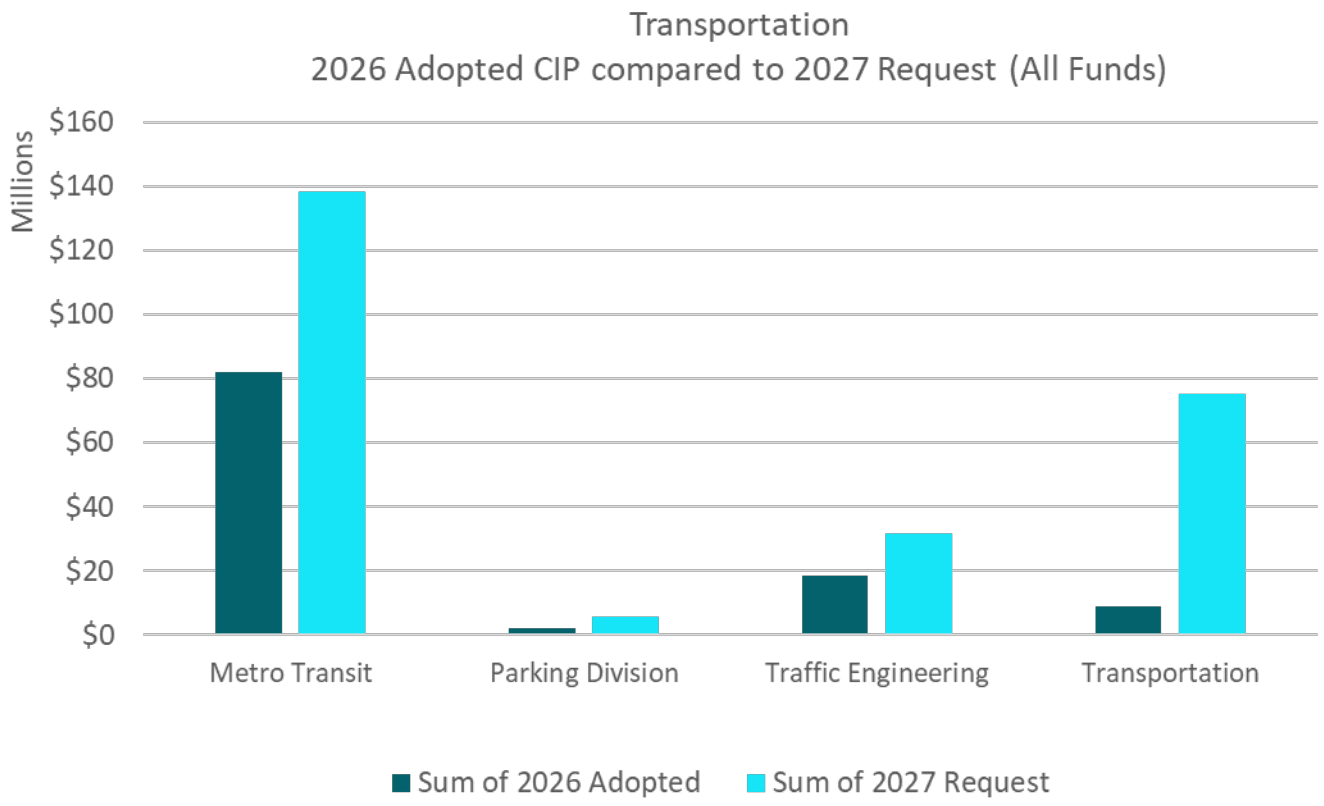
Streets Division:

- $3.7m total increase. New project for Bloom Grove refuse carts ($100k) and Sycamore Salt and Sand Barn increased by $3.6m

Water Utility:

- New project for Advanced Metering Infrastructure ($20m reserves)
- Various project adjustments to align with Engineering Major Streets
- New Water Facility Planning increased $3.0 million Non-GF GO
- Well 27 funding source changed from $7.0m in state sources to Non-GF GO

Major Requests by Agency: Transportation



Metro Transit:

- $56.0m increase, including federal funding assumptions (80/20 split)
- 3 new programs for Intelligent Transportation Systems, Preventative Maintenance, and Transit Support Facilities

Parking Division

- $3.6m increase to Equipment and Infrastructure Upgrades program (reserve funding)

Traffic Engineering

- $12.9m increase, including assumption of $8.0m federal Safe Streets fir All Grant
- New project for Radio Shop Workspace Configuration and Street Light Pole Painting

Transportation

- 3 new projects: Sayle Street Replacement ($64.3m), Temporary Passenger Rail Station ($2.0m), Wayfinding ($112k)

Note on Carryforward Appropriations

- The capital projects fund is a multi-year fund. Unspent funds carry forward.
- Executive Budget will include a carryforward report showing unused appropriation authority by agency, by project.
- Agencies can use unspent prior appropriations in future years. This is in addition to the amount in the proposed budget.
- Agencies and Finance monitor and close out projects when complete, per APM 1-8.

Sample Carryforward Report from 2026 Adopted Budget

Engineering - Major Streets

Carryforward General Obligation Borrowing

		Unused Appropriation Authority	Reauthorized GO Borrowing
10204	RURAL TO URBAN STREETS	-	150,000
10218	RAILROAD CROSSINGS	1,213,353	-
10226	RECONSTRUCTION STREETS	9,176,963	7,681,053
10284	PLEASANT VIEW ROAD	1,930,614	652,400
10538	BRIDGE REPAIR & REPLACEMENT	30,484	157,476
10540	PAVEMENT MANAGEMENT	5,978,741	9,431,430
11131	MINERAL POINT RD (BELTLINE-HIGH PT)	71,011	144,451
11133	S PARK ST (OLIN TO RR)	324,534	447,834
11168	UNIVERSITY AVE (SHOREWOOD-UNIV BAY)	183,688	355,809
11543	E WILSON ST AND E DOTY ST	508,315	50,000
11984	ATWOOD AVE RECONSTRUCTION	772,862	1,677,261
12630	PLEASANT VIEW ROAD PHASE 2	791,683	853,300
13013	CTH AB INTERCHANGE	95,065	377,989
13835	CTH M	3,788,065	13,350
13838	BLAIR ST	431,733	-
15233	REGENT STREET	143,129	151,500
15322	JOHN NOLEN DR	23,423,470	7,146,000
15401	HIGH POINT / RAYMOND / MID TOWN	966,791	1,124,500
		$ 49,830,501	**$ 30,414,353**

Budget Timeline and Process

Key Dates for 2027 Budget Development

Capital Budget

- Kick Off: **March 17**
- Agency Requests Due: **April 17**
- Agency Briefings: **May 13-15**
- Executive Budget Introduced: **September 8**
- FC Briefings: **September 14-15**
- FC Amendment Meeting: **September 28**
- CC Budget Meetings: **November 10-12**

Operating Budget

- Kick Off: **June 9**
- Agency Requests Due: **July 17**
- Agency Briefings: **August 12-21**
- Executive Budget Introduced: **October 6**
- FC Briefings: **October 12-13**
- FC Amendment Meeting: **October 26**
- CC Budget Meetings: **November 10-12**

*FC = Finance Committee
*CC = Common Council

Future Briefings

Tentative schedule for future briefings to Finance Committee

- **June 1:** Prior Year End (2025) Review, 2027 Cost to Continue Review
- **June 29:** Operating Budget Instructions
- **August 31:** Operating Request Overview and Amendment Process