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2024 Project Plan Amendment
Date Adopted: April 16, 2024
Resolution #: RES-24-00263 (Legistar 82262)

2025 Project Plan Amendment
Date Adopted: March 14, 2025
Resolution #: RES-25-00168

2026 Project Plan Amendment
Date Adopted:
Resolution #: RES-

**Project Plan for
TAX INCREMENTAL FINANCE DISTRICT #44
(ROYSTER CLARK)**

City of Madison

**Prepared by:
Department of Planning and Community and Economic Development
Economic Development Division
Office of Real Estate Services**

2026

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TAX INCREMENTAL FINANCE DISTRICT #44 (ROYSTER CLARK)

NOTE: Amendments, including additions and deletions, to the Project Plan from the First Amendment (2024) are highlighted in yellow.

NOTE: Amendments, including additions and deletions, to the Project Plan from the Second Amendment (2025) are highlighted in bright green.

NOTE: Amendments, including additions and deletions, to the Project Plan from the Third Amendment (2026) are highlighted in bright blue.

INTENT AND PURPOSE

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

In particular, the City of Madison is proposing to create Tax Incremental District (TID) #44–(Royster Clark) as a blighted area TID, for the purposes of:

- 1) Elimination of blighting conditions;
- 2) Providing revitalization loans to aid redevelopment projects;
- 3) Rebuild infrastructure to aid in the redevelopment of the area.

As part of the First Project Plan Amendment (2024) to TID 44, the City proposes to provide funding for additional public works and to the Community Development Authority (CDA) of Madison to:

1. Provide funding for railroad quiet zone crossings, and;
2. To aid in the construction of a parking structure at the Village on Park to assist with further redevelopment,

The City will request the Joint Review Board authorize the use of these funds within the half mile area surrounding TID 44.

As part of the Third Project Plan Amendment (2026) to TID 44, the City proposes to provide funding for land banking and public infrastructure purposes. It is the City’s intent to purchase the remaining undeveloped lots at Royster Corners, and develop them in concert with the Community Development Authority (CDA) of Madison. Funding is also proposed to assist with the reconstruction of stormwater ponds. Specifically, these funds will be used for:

1. The purchase of 404 Cottage Grove Road; 514, 526 & 551 Pinney Street; 3752 Sargent Street; 3708 Olbrich Avenue; 702, 804, 808, 812, 816, 820, 824, 828 & 832 Royster Avenue, Madison, WI, and;
2. The Cottage Grove Road Stormwater retention pond at the southwest corner of Cottage Grove Road and Stoughton Road (Gary Street reconstruction).
3. Small Business Assistance in TID 44 and within a half mile of TID 44.

PROPOSED CHANGES IN ORDINANCES, CODES OR PLANS

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

This TID is presently zoned, ~~CN, SR-C1, CC-T, SR-V2~~, CC, SE, IL, ~~SR-V1, A~~, NMX, **TR-U2, TR-C3, and TSS.**

Consistency With the City of Madison Comprehensive Plan

The project elements in this amendment Project Plan conform to the objectives and recommendations contained in the City of Madison Comprehensive Plan which can be found at:

<https://www.cityofmadison.com/dpced/planning/comprehensive-plan/1607>

Volume II, Chapter 2 of the Comprehensive Plan, entitled “Objectives and Policies for Established Neighborhoods on pages 2-14 through 2-37, stipulates goals and objectives that are consistent with the activities planned for the proposed TID #44, including but not limited to the following:

~~Objective 7: Encourage the development of compact, mixed-use neighborhoods and districts.~~

~~Objective 10: Achieve an efficient, balanced urban growth pattern by guiding new development, infill and redevelopment projects to planned development areas through the City of Madison.~~

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

~~Objective 34: Guide the processes of preservation, rehabilitation and redevelopment in established City neighborhoods through adoption and implementation of neighborhood plans, special area plans and major project plans consistent with the Comprehensive Plan.~~

~~Objective 36: Provide a range of housing opportunities, including affordable housing, that will be attractive to both owner and renter households of different sizes, lifestyles, incomes and tastes.~~

~~Objective 41: Maintain a balance between redevelopment and preservation in established neighborhoods that recognizes the general satisfaction of many residents with their neighborhoods as they currently are and focuses on redevelopment activity on selected areas and sites within the neighborhood where the objectives of increased density and a wider range of uses will be most supportive of objectives to maintain existing neighborhood character and quality.~~

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

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

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

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

Consistency with Royster Clark Special Area Plan

The City of Madison Common Council adopted the Royster Clark Special Area Plan on October 20, 2009 (Resolution No. 09-00894, File ID No. 15498). This plan was prepared to provide land use and development recommendations for the 60-acre area around the intersection of Cottage Grove Road and Dempsey Road. The activities and projects identified in the TID #44 Project Plan support the Planning Goals of the Royster Clark Special Area Plan, including but not limited to the following (page 18):

Goal 1: The Royster-Clark property will be developed as an integrated site, with a coordinated mix of mutually supporting land uses and common or compatible design elements.

Goal 3: The placement and design of new development and redevelopment along Cottage Grove Road will enhance neighborhood identity and create an attractive “gateway” to the Cottage Grove Road business district.

Goal 4: Redevelopment of the Royster-Clark Site will enhance the quality of life in adjacent residential neighborhoods.

Goal 5: Redevelopment will provide residential opportunities similar to surrounding housing as well as new opportunities for households seeking alternatives to single-family homes.

Goal 7: New multi-modal transportation connections will be provided between neighborhood residential areas, activity centers and amenities.

Goal 8: Transportation access, safety, and amenity for motor vehicles, pedestrians and bicycles will be maintained and enhanced.

Goal 9: The site will accommodate new local employment opportunities and small businesses, rather than regional-scale or highway-oriented retail businesses.

Goal 10: Employment buildings on the site will accommodate and encourage business innovation and entrepreneurship.

Goal 11: Redevelopment will support and enhance the vitality of existing businesses in the Planning Area.

Consistency With TIF Policy

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

Goal 2: Support Neighborhood Revitalization, Including Downtown

(5) **Urban Infill** – Urban in-fill projects that either increase or decrease density consistent with the City comprehensive plan.

(6) **Affordable or Workforce Housing (rental or owner occupied)**

(a) TIF Assistance for Affordable or Workforce Housing – Affordable or workforce housing projects may apply for conventional TIF assistance provided they demonstrate “but for” to the City’s satisfaction.

PROPOSED PROJECT COSTS

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

Public Works Improvements

Cottage Grove Road	\$2,222,000
Dempsey Rd	\$92,700
Utility Undergrounding	\$2,550,000
Railroad Quiet Zone	\$350,000
Lighting on Stoughton Road	\$155,000
Cottage Grove Road Stormwater Pond (Gary Street)	\$2,000,000

Public Works Improvements

\$4,864,700 \$5,214,700 ~~\$5,369,700~~ \$7,369,700

Community Development Authority Revitalization Activities

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

Estimated Cost:

\$0

Economic Development Assistance

Development Loans

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

Estimated Cost \$1,300,000

Small Business Assistance

In order to assist small businesses in and with a half mile of TID 44, the City may provide additional funding to the existing Commercial Ownership Assistance program, Building Improvement Grant Program, Façade Grant Program, as well as extend the existing Small Cap TIF program for small business. Should the City make any grants through these programs, the City will provide the Joint Review Board with copies of any applicable grant agreements as required under State of Wisconsin TIF Law.

Estimated Cost ~~\$500,000~~ \$1,000,000

Land Acquisition

In order to construct the public improvements and for the revitalization and development of private property, the acquisition of property and relocation of occupants may be necessary in this TIF District. The acquisitions could vary from rights-of-way and air space to entire parcels.

The Third Project Plan Amendment (2026) to TID 44 provides funding for the purchase, holding costs, and pre-development costs of multiple lots at the Royster Corners site. These lots include: 404 Cottage Grove Road; 514, 526 & 551 Pinney Street; 3752 Sargent Street; 3708 Olbrich Avenue; 702, 804, 808, 812, 816, 820, 824, 828 & 832 Royster Avenue, Madison, WI.

Estimated Cost: \$4,000,000

DONATION TO TID 42

The City intends to donate excess TID 44 incremental revenue to TID 42. TID 42 is generally located between South Park Street, Fish Hatchery Road, and Wingra Creek. The City intends to continue to invest in the South Madison area in and adjacent to TID 42 following the dissolution of the Town of Madison on Oct 31, 2022. The donation of incremental revenue from TID 44 will be used to continue the City’s investment in the South Madison area (See Exhibit G for more detail).The table below shows the timing and amount of the proposed donations from TID 44 to TID 42.

Cost: \$1,600,000

Donor District	2024	2025	2026	2027	2028	Total
TID 4	\$1,600,000	\$0	\$0	\$0	\$0	\$1,600,000
Recipient TID						
TID 42	\$1,600,000	\$0	\$0	\$0	\$0	\$1,600,000

Organizational, Administrative and Professional Costs

This category of project costs includes estimates for administrative, professional, organizational and legal costs. Project costs may include salaries, including benefits, of City employees engaged in the planning, engineering, implementing and administering activities in connection with TID #44, supplies and materials, contract and consultant services, and those costs of City departments such as the Finance Department, City Attorney, City Engineer, Parks Division, Planning & Development and the Office of the Mayor.

Estimated Cost: \$100,000

TOTAL COST	\$6,264,700
	\$15,369,700

Financing Costs

The total TIF-eligible cost authorized in the Detailed Estimate of Project Cost and Timing represents the total TIF Capital Budget for which TIF funds may be used. Finance costs represent the estimated amount of interest incurred if the City were to borrow funds to pay for the entire TIF-eligible costs. Staff estimates that in the event the City of Madison borrows funds to pay for the capital costs authorized herein that tax increments estimated to be generated by the district over its life may be sufficient to repay all of the \$6,264,700 of estimated project costs and an estimated \$683,000 financing cost. Project costs for the 2025 amendment will be paid with tax increments. No additional general obligation borrowing is required. Project costs for the 2026 amendment will be paid through TIF supported borrowing. The finance costs associated with this borrowing is \$1,787,000. This brings the total finance cost to be recovered by TID 44 to \$2,470,000.

DETAILED ESTIMATE OF TIMING AND PROJECT COSTS

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

Street Reconstruction	Proposed, Non-Assessable Cost	Phase I (2014-16)	Phase II (2017-20)	Total	Time Frame
<u>Cottage Grove Road</u>					
Monona Dr to Drexel	445,500		445,500	445,500	2013-2035
Drexel to USH 51	1,776,500	1,776,500		1,776,500	2013-2035
Subtotal Cottage Grove Rd – Streets	2,222,000	1,776,500	445,500	2,222,000	2013-2035
<u>Dempsey Rd</u>					
Cottage Grove N. to Bike Path	92,700	-	92,700		2013-2035
Total Streets	2,314,700	1,776,500	538,200	2,314,700	2013-2035
Utility Undergrounding					
<u>Cottage Grove Road</u>					
Monona Dr to Dempsey	690,000		690,000	690,000	2013-2035
Drexel to Dempsey (MGE)	740,000	740,000		740,000	2013-2035
Drexel to Dempsey (Charter & TE)	370,000	370,000		370,000	2013-2035
Subtotal Cottage Grove Rd. - Underground	1,800,000	1,110,000	690,000	1,800,000	2013-2035
<u>Dempsey Road</u>					
Cottage Grove N. to Bike Path (MGE)	375,000	-	375,000	375,000	2013-2035
Cottage Grove N. to Bike Path (ATT, Charter)	375,000	-	375,000	375,000	2013-2035
Subtotal Dempsey Rd. - Underground	750,000	-	750,000	750,000	2013-2035
Total Undergrounding	2,550,000	1,110,000	1,440,000	2,550,000	2013-2035
TOTAL PUBLIC IMPROVEMENTS	4,864,700	2,886,500	1,978,200	4,864,700	2013-2035
Development Loans	1,300,000			1,300,000	2013-2035
Administrative and Professional Costs	100,000			100,000	2013-2035
TOTAL PROJECT COSTS	6,264,700			6,264,700	2013-2035
Finance Costs	683,000			683,000	2013-2035
First Project Plan Amendment (2024) Project Costs					
Railroad Quiet Zone	350,000			350,000	2024-2035
Donation to TID 42 (2024)	1,600,000			1,600,000	2024-2035
Total Project costs – First Project Plan Amendment (2024)	1,950,000			1,950,000	2024-2035
Total Project Costs (Original Project Plan and 1st (2024) Project Plan Amendment)	8,214,700			8,214,700	2024-2035

Second Project Plan Amendment (2025) Project Costs					
Lighting on Stoughton Road	155,000	\$0	\$0	155,000	2025–2035
Small Business Loan Program	500,000	\$0	\$0	500,000	2025–35
Total Project costs – Second Project Plan Amendment (2025)	655,000	\$0	\$0	655,000	2025–2035
Total Project Costs (Original Project Plan and 1st (2024) Project Plan Amendment and 2nd (2025) Project Plan Amendment)					
	8,869,700	\$0	\$0	8,869,700	2025–2035

Third Project Plan Amendment (2026) Project Costs					
Land Acquisition	\$4,000,000	\$0	\$0	\$4,000,000	2026–2035
Cottage Grove Road Stormwater Pond (Gary Street)	\$2,000,000	\$0	\$0	\$2,000,000	2026–2035
Small Business Assistance ¹	\$500,000	\$0	\$0	\$500,000	2026–2035
Total Project costs – Third Project Plan Amendment (2026)	6,500,000	\$0	\$0	6,500,000	2026–2035
Total Project Costs (Original Project Plan and 1st (2024) Project Plan Amendment, 2nd (2025) Project Plan Amendment, and 3rd (2026) Project Plan Amendment)					
	15,369,700	\$0	\$0	15,369,700	2026–2035
2026 Financing Costs					
	\$1,787,000			\$1,787,000	2026 - 2035
Total Financing Costs	\$2,470,000			\$2,470,000	2026 - 2035

SUMMARY OF TOTAL PROJECT COSTS AND ECONOMIC FEASIBILITY

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

How Tax Increments Are Generated, Used

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

Per TIF Law, the maximum life of a blighted area TID is 27 years, and all project expenditures must be made five (5) years prior to the termination of the TID. Therefore, all project expenditures must be made by December 31, 2035. Tax increments may be received until project costs are recovered, at which time the TID must close.

¹ Total Small Business Assistance, including second (2025) and third (2026) project plan amendments is \$1,000,000.

TIF-Eligible Capital Budget

The cost of public improvements and other project costs is approximately ~~\$6,624,700~~ ~~\$8,214,700~~ ~~\$8,869,700~~ ~~\$15,369,700~~. It is anticipated that none (\$0) of the project costs will be assessable to property owners. Assessments are determined in accordance with the City and Board of Public Works standard special assessment policies. The ~~\$6,624,700~~ ~~\$8,214,700~~ ~~\$8,869,700~~ ~~\$15,369,700~~ balance of the TIF-eligible project costs (i.e. net of assessable costs) represents the authorized TIF Capital Budget for this Project Plan and will require financial support by incremental taxes from the District.

Estimate of Economic Feasibility, TIF Generator(s)

TIF Policy requires a proposed TID have an economic “generator” i.e. at least one private development project that generates increment to finance TID costs. The determination of economic feasibility herein, including such TIF generators, is based on anticipated, near-term development, as well as projected development through 2040. The anticipated development for TID #44 includes the redevelopment of the Royster Clark fertilizer plant site. Ruedebusch Development and Construction intends to redevelop this site into a mix of residential lots, employment uses, and mixed-use buildings.

Total Estimated Value of All TIF Generators (i.e. Ruedebusch Development and Construction redevelopment of Royster Clark site): \$28,800,000

As demonstrated in the section entitled Expectations for Development, a conservative estimate of total incremental value resulting from these and other development projects, and economic growth or value appreciation over the life of the TID is estimated to be **\$64,000,000**. This value is projected to produce incremental revenues sufficient to support the project costs stated above.

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

Based on the current tax rates and conservative financial market assumptions, the anticipated economic growth of tax incremental revenues over the life (i.e. the total amount of tax increments over 27 years) of the TID should total approximately **\$17,800,000**. The present value of the total incremental revenues that are anticipated to be generated is **\$6,264,700**.

As previously indicated, each segment of the project (i.e., every individual cost element) will require subsequent approval by the Common Council and/or the CDA. The method of financing and the individual debt issues will also require Common Council approval. It is the City’s intent to closely monitor all planned and actual development within the TID. The actual City investment in TID #44 may, therefore, be less than the amount shown in the Project Plan.

The First Project Plan Amendment (2024) anticipates an additional \$1,600,000 in eligible costs that may be supported by TIF. The total eligible costs that will be supported by TIF, including the original project plan and first amendment are **\$8,214,700**.

The Second Project Plan Amendment (2025) anticipates an additional \$655,000 in eligible costs that may be supported by TIF. The total eligible costs that will be supported by TIF, including the original project plan, first, and second amendment are **\$8,869,700**.

The Third Project Plan Amendment (2026) anticipates an additional \$6,000,000 in eligible project costs that may be supported by TIF. The total eligible project costs that will be supported by TIF, including the original project plan, first, second, and third amendment are **\$15,369,700**.

Finance Cost

Staff estimates that TID increment could support interest payments on capital borrowing. The estimated interest and finance cost of to borrow the entire estimated capital cost is **\$683,000**.

Project costs for the 2025 amendment will be paid with tax increments. No additional general obligation borrowing is required.

Staff estimates that TID increment could support interest payments on capital borrowing. The estimated interest and finance cost to borrow the entire estimated capital cost of \$15,369,700 is \$2,470,000. This includes the original \$683,000 of finance costs, and the additional \$1,787,000 of finance costs associated with the 2026 Project Plan Amendment.

PROMOTION OF ORDERLY LAND DEVELOPMENT

The [City of Madison Comprehensive Plan](#) and the [Royster Clark Special Area Plan](#) outline land use and design guidelines specific to the Royster Clark area. In particular, the Royster Clark Special Area Plan described the types of land uses and densities in the table below. Further description of these uses can be found at the Plan document link at: http://www.cityofmadison.com/planning/pdf/RCFinal%20Plan_020210.pdf

Land Use	Acres	Description
Low Density Residential	7-8	52-54 single-family homes
Medium Density Residential	3-4	27-30 townhomes & 2-3 multifamily buildings, 2 to 3 stories
Mixed Use	3-4	5 buildings, 2 to 3 stories
Employment	5-6	7-11 buildings, 2 to 3 stories
Stormwater Mgmt & Utilities	6-8	MG&E facilities and stormwater management areas
Open Space	1-3	Central open space and scattered smaller open spaces
Public Right of Way	4 -6	Streets, sidewalks, and public terrace

The City of Madison Comprehensive Plan identifies multiple uses for the area, including: Neighborhood Mixed-Use, Park and Open Space, Medium Density Residential, Low Density Residential, Community Mixed-Use, Employment, Special Institutional, and Industrial. Descriptions of these uses and their densities can be found in Volume II, Chapter 2 of the City's Comprehensive Plan, at this link:

<http://www.cityofmadison.com/planning/ComprehensivePlan/dplan/v2/chapter2/v2c2.pdf>

EXPECTATIONS FOR DEVELOPMENT

The expectations for development in TID #44 have been developed from and predicated on the Comprehensive Plan for the City of Madison and the Royster Clark Special Area Plan, as adopted by the Common Council.

Potential Areas for Development

The Potential Area for Development is the former Royster Clark Fertilizer Plant. This area is generally bounded by Cottage Grove Road, Dempsey Road, Royster St and the Union Pacific Railway. The development on this site is described in further detail in this project plan.

Annual Value Increment Estimates

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

Timeframe for Development: For the purposes of this project plan's economic expectations new development projects, the TIF generator projects indicated herein are expected to occur within the first 10 years of the district's life. It is the City's practice to anticipate development, repayment of costs and closure of the district within a shorter timeframe than the full 27-year period allowed by TIF Law. TID expenditures may be made for a period of 22 years from the date of TID creation. On average, a City TIF district is closed within about 12 years. To the extent that the District meets or exceeds economic expectations, it is then able to repay its project costs and return the value increment to the overlying taxing jurisdictions in a shorter period of time.

Anticipated Development: The actual timing and value of new growth within the District depends upon variables that are unpredictable at this time. The estimated \$28.8 million Royster Clark redevelopment is anticipated to be completed in 2024. This project is estimated to create 51 single-family homes, a 36-unit apartment project with 20,000 SF of first floor

commercial, 117 market rate apartments, 66 affordable units and approximately 48,000 SF of additional commercial structures. The total value increment (including estimated TIF generators and appreciation of property value within the district) generated over the 27-year life of the district is estimated at approximately \$64,000,000. This growth is estimated to generate approximately \$17,800,000 of tax increment over the life of the district.

2024 Project Plan Amendment

As of December 31, 2023, TID 44 had generated approximately \$81,000,000 in incremental value, which is generating approximately \$1,600,000 in incremental revenue on an annual basis. At the same time, TID 44 has \$257,000 of unrecovered costs, which will be fully recovered in 2024. Based upon the outstanding balance of unrecovered costs, the amount of incremental revenue that TID 44 is generating, and the ongoing investment in South Madison, TID 44 will be able to make a modest donation to TID 42, and then close.

2025 Project Plan Amendment

As of December 31, 2024, TID 44 had generated approximately \$94,545,000 in incremental value, which is generating approximately \$1,871,000 in tax increment on an annual basis. TID 44 has unrecovered cost of \$169,000 and posts a \$1,601,000 surplus. Based upon the outstanding surplus balance and the amount of incremental revenue generated, TID 44 can pay for the additional \$655,000 of project cost with tax increments and will be able to close in approximately 2026. No further TIF-supported general obligation borrowing is required.

2026 Project Plan Amendment

As of December 31, 2025, TID 44 had generated approximately \$108,448,000 in incremental value, which is generating approximately \$2,100,000 in tax increment on an annual basis. TID 44 has recovered all its outstanding debt, and posts a \$1,759,000 surplus. Based upon the outstanding surplus balance and the amount of incremental revenue generated, TID 44 can pay for the additional \$6,500,000 of project cost, along with the \$1,787,000 of finance costs, with tax increments and will be able to close in approximately 2029.

METHODS FOR THE RELOCATION OF DISPLACED PERSONS AND BUSINESSES

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

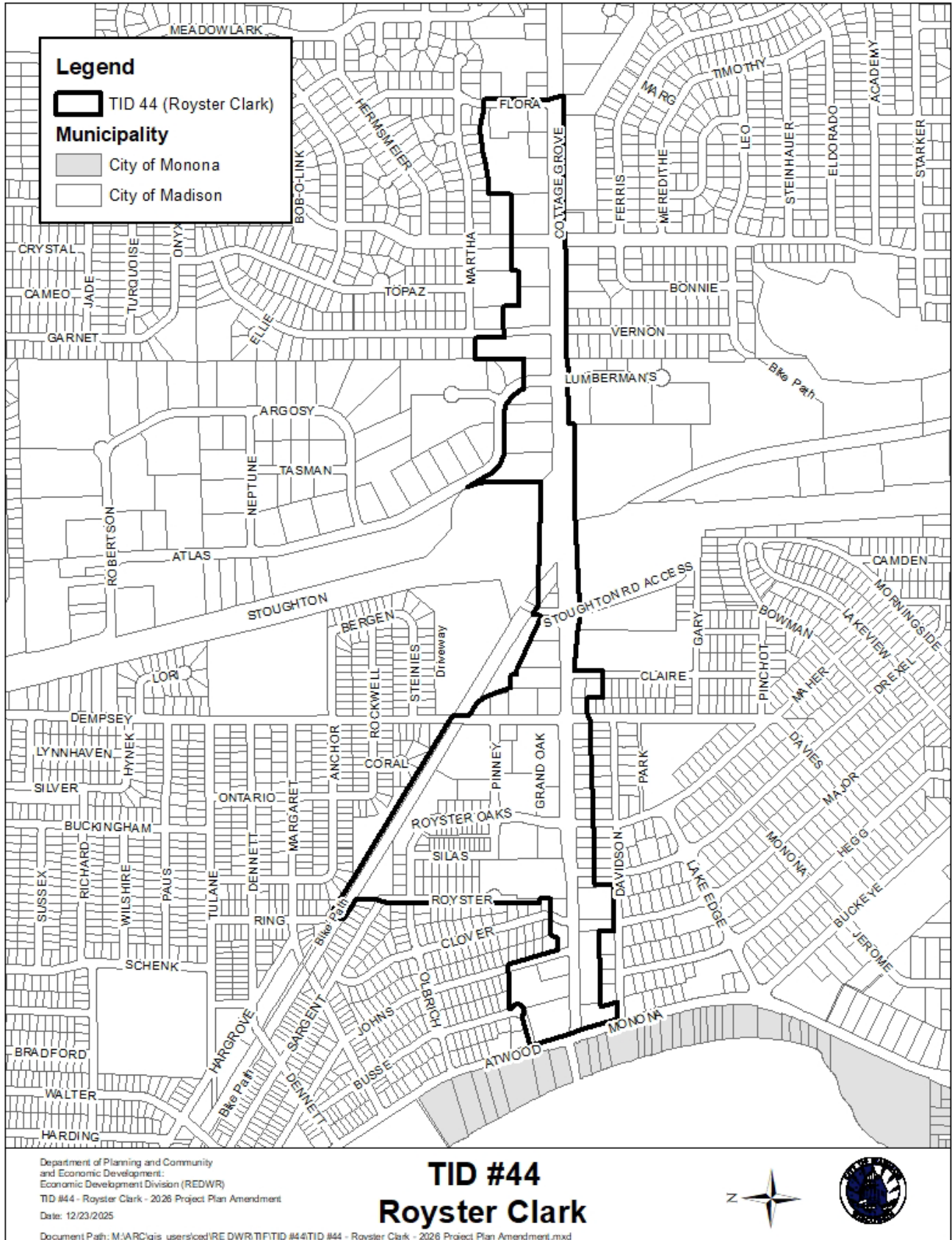
LEGAL DESCRIPTION

All platted and unplatted lands located in part of the West ½ of Section 10 and parts of the NE ¼, NW ¼, SW ¼ & SE ¼ of Section 9, all in Township 7 North, Range 10 East, City of Madison, Dane County, Wisconsin, more particularly described as follows:

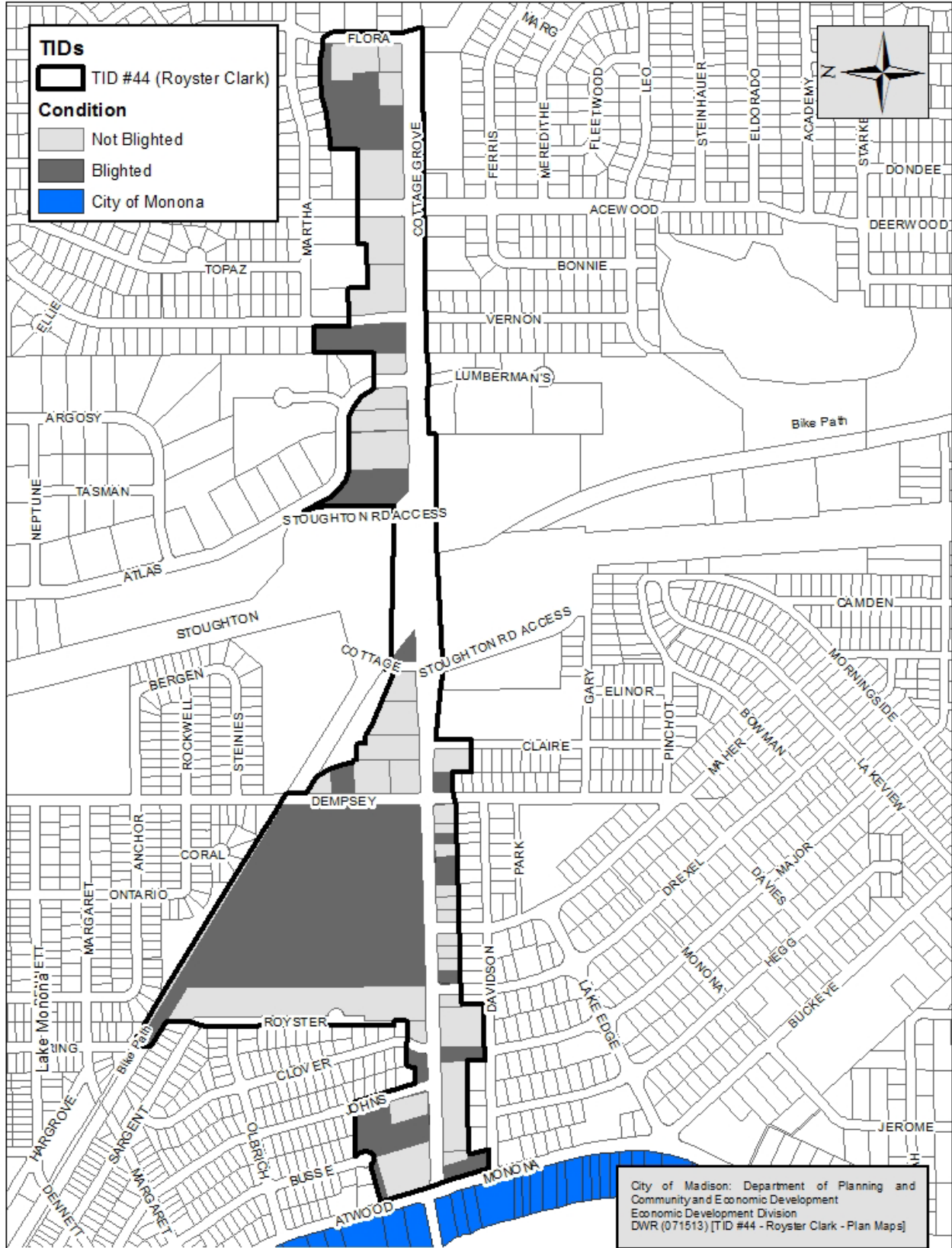
Beginning at the intersection of the Northeasterly right-of-way of Atwood Avenue, as presently located, with the Northwest Lot line of Lot 22, Blooming Grove Assessor's Plat No. 7, thence northeasterly, along the said Northwest Lot line, 223 feet, more or less, to the Southerly right-of-way of Busse Street, being the cul-de-sac thereof; thence easterly and northerly, along the curves of said Southerly right-of-way cul-de-sac, 198 feet, more or less, to the Northwest corner of Lot 20, Blooming Grove Assessor's Plat No. 7; thence easterly, along the North lines of said Lot 20, Lot 12, Blooming Grove Assessor's Plat No. 7, and its easterly prolongation, 331 feet, more or less, to the Northeasterly right-of-way of Johns Street; thence southeasterly, along the said Northeasterly right-of-way, 387 feet, more or less, to a line that is parallel to and 10 feet north of, as measured at right angles to, the North line of Lot 28, Blooming Grove Assessor's Plat No. 7, also being 76.7 feet distant from the Southwest corner, as measured along the Northeasterly right-of-way of Johns Street, of said Lot 28; thence easterly, along the said parallel line, 90.43 feet; thence N 19° 17' E, 57.15 feet; thence easterly, parallel to the North line of Lot 28, Blooming Grove Assessor's Plat No. 7, 104.6 feet, to the Westerly right-of-way of Clover Lane; thence southeasterly, 60 feet, more or less, to the Northwest corner of Lot 2, CSM 55; thence easterly, along the North line of said Lot 2, 99.30 feet, to the Northeast corner of said Lot 2, also being the Southeast corner of Lot 1, said CSM 55; thence northerly, along the East line of said Lot 1, 76 feet, to the Northeast corner of said Lot 1; thence westerly, along the North line of said Lot 1, 30 feet, more or less, to the Westerly right-of-way of Royster Avenue; thence northerly, along the said Westerly right-of-way, 1120 feet, more or less, to a point of curve; thence northeasterly, 93 feet, more or less, to the Southeast corner of Lot 10, First Addition to Olbrich Park Addition; thence northerly, along the East line of said Lot 10, 151.6 feet, to the Northeast corner of said Lot 10, also being a point on the Southwesterly right-of-way of the Union Pacific Railroad; thence northwesterly, along the said Southwesterly right-of-way, 172 feet, more or less, to the southerly prolongation of the centerline of Ring Street; thence northerly, along the said southerly prolongation, 118 feet, more or less, to a line that is parallel to and 100 feet northeasterly of, as measured at right angles to, the Southwesterly right-of-way of the Union Pacific Railroad; thence southeasterly, along said parallel line, 1761 feet, more or less, to the Easterly right-of-way of Dempsey Road; thence southerly, along the said Easterly right-of-way, 125 feet, more or less, to the Southwesterly right-of-way of the Union Pacific Railroad; thence southeasterly, along said Southwesterly right-of-way, 173 feet, more or less; thence S 19° 17' 50" W, 65.71 feet, to a point on a line that is parallel to and 9.5 southwesterly of, as measured radially to, the centerline of a spur track of a railroad line (I.C.C. #335, Chicago and Northwestern Railway Co.); thence southeasterly, along a curve of said parallel line, 140 feet, more or less, to the North line of Lot 1, CSM 2426; thence easterly, along the said North line, 18.65 feet, to the Northeast corner of said Lot 1, also being a point of intersection of a jog in a West line of Lot 1, CSM 5244; thence southerly, along a West line of Lot 1, CSM 5244, 25 feet, to a point on a line that is parallel to and 50 north of, as measured at right angles to, a South line of said Lot 1; thence easterly, along the said parallel line, 100 feet, to a point on a line that is parallel to and 100 feet east of, as measured at right angles to, a West line of said Lot 1; thence southerly, along the said parallel line, 50 feet, to a South line of said Lot 1; thence easterly, along the said South line, 50 feet, to a point of intersection in said Lot 1; thence S 60° 20' 13" E, 70.46 feet, to the most westerly corner of Lot 4, CSM 5244; thence southeasterly, along the Northeast lines of Lots 1-3, CSM 5244, 320.00 feet, to a point of intersection in the Northeast line of said Lot 3; thence southeasterly, along the Northeast line of said Lot 3, 27.90 feet, to the Westerly right-of-way of Cottage Court; thence northeasterly, along a curve of the said Westerly right-of-way, 64.19 feet, to the Southwesterly right-of-way of the Union Pacific Railroad; thence southeasterly, 977 feet, more or less, to a point of intersection in the West line of Lot 3, Block 1, Madison Industrial Subdivision No. 1; thence northerly, along the West line of said Lot 3, 543 feet, more or less, to the Southwesterly right-of-way of Atlas Avenue; thence southeasterly, easterly, and southeasterly along the said Southwesterly right-of-way, 933 feet, more or less, to the westerly prolongation of the North line of Lot 1, Block 2, Madison Industrial Subdivision No. 1; thence easterly, along the said westerly prolongation and North line, 217 feet, more or less, to the East Plat line of Madison Industrial Subdivision No. 1, also being the West Plat line of First Addition to Meadowood - East; thence northerly, along the said West Plat line, 360 feet, more or less, to a point on a line that is parallel and 12 feet southerly of, as measured by right angles to, the North line of Lot 120, First Addition to Meadowood - East; thence easterly, along the said parallel line, 160 feet, more or less, to the Westerly right-of-way of Vernon Avenue; thence southerly, along the said Westerly right-of-way, 212 feet, more or less, to the westerly prolongation of the North line of Lot 3, East Meadowood Downs; thence easterly, along the said westerly prolongation and North line, 225 feet, more or less, to the Northeast corner of said Lot 3; thence southerly, along the East line of said Lot 3, 112.00 feet, to a point on the North line of Lot 4, East Meadowood Downs; thence easterly, along the said North line and the North line of Lot 5, East Meadowood Downs, 270.05 feet, to the Southwest corner of Lot 6, East Meadowood Downs; thence northerly,

along the Westerly line of said Lot 6, 50 feet, more or less, to a line that is parallel to and 50 feet north of, as measured by right angles to, the South line of said Lot 6; thence easterly, along the said parallel line, 165 feet, more or less, to the Westerly right-of-way of Acewood Boulevard; thence easterly, 102 feet, more or less, to the Southwest corner of Lot 1, CSM 312; thence easterly, along the South line of said Lot 1, 301.66 feet, to the Southeast corner of said Lot 1, also being a point of intersection of a jog in the West line Lot 1, CSM 2143; thence northerly, along the said West line, 160.00 feet, to the North line of said Lot 1; thence easterly, along the said North line, 18.34 feet, to a point of intersection in said North line; thence northeasterly, along said North line, 211.26 feet, to a point of intersection in said North line; thence northeasterly, along said North line and the North line of Lot 2, CSM 7617, 80 feet, more or less, to a point of intersection in the North line of said Lot 2; thence northeasterly, along the said North line, 200.75 feet, to a point of intersection in the said North line; thence southeasterly, along the said North line and its southeasterly prolongation, 191 feet, more or less, to the East right-of-way line of Flora Lane; thence southerly, along the said East right-of-way, 442 feet, more or less, a point of curve; thence southeasterly, 136 feet, more or less, to the Northwest corner of Lot 1, CSM 1449, also being a point on the South right-of-way of Cottage Grove Road; thence westerly, southerly, and westerly, along the said South right-of-way, 4283 feet, more or less, to the East right-of-way of Claire Street; thence southerly, along the said East right-of-way, 213 feet, more or less, to the easterly prolongation of the South line of Lot 41, Blooming Grove Assessor's Plat No. 7; thence westerly, along the said easterly prolongation and South line, 194 feet, more or less, to the Southwest corner of said Lot 41; thence northerly, along the West line of said Lot 41, 120.2 feet, to the Southeast corner of Lot 42, Blooming Grove Assessor's Plat No. 7; thence westerly, along the South lines of Lots 42 & 43 Blooming Grove Assessor's Plat No. 7, 120.0 feet, to the Southwest corner of said Lot 43; thence southwesterly, 64 feet, more or less, to the Southeast corner of Lot 38, Blooming Grove Assessor's Plat No. 7; thence westerly, along the South lines of Lots 38, 37 & 36, Blooming Grove Assessor's Plat No. 7, Lot 12, Block 16, Lake Edge Park Replat, Lots 1-3, CSM 857, Lots 8 & 7, Block 16, Lake Edge Park Replat, 713 feet, more or less, to the Southwest corner of said Lot 7, Block 16, also being a point on the East right-of-way of Maher Avenue; thence westerly, 60 feet, more or less, to the Southeast corner of Lot 8, Block 15, Lake Edge Park Replat; thence westerly, along the South lines of Lot 8-5, Block 15, Lake Edge Park Replat, 306 feet, more or less, to the Southwest corner of said Lot 5, Block 15, also being a point on the East right-of-way of Drexel Avenue; thence westerly, 60 feet, more or less, to the Southeast corner of Lot 3, Block 8, Lake Edge Park Replat; thence westerly, along the South line of said Lot 3, also being the North line of Lot 1, said Block 8, 62.75 feet, more or less, to the West line of the East 62.75 feet of said Lot 1; thence southerly, along the said West line of the East 62.75 feet, 131 feet, more or less, to the North right-of-way of Davidson Street; thence westerly, along the said North right-of-way, 336 feet, more or less, to the Southwest corner of Lot 1, CSM 2013; thence northerly, along the West line of said Lot 1, 111 feet, more or less, to the intersection with the South line of Warranty Deed recorded in Dane County Register of Deeds as Doc No. 4171952; thence westerly, along the said Warranty Deed South line and its westerly prolongation, 555 feet, more or less, to the intersection with a line parallel to and 130 feet easterly of, as measured along the North right-of-way of Davidson Street, the Northeasterly right-of-way of Monona Drive as platted in Blooming Grove Assessor's Plat No. 7; thence southeasterly, along said parallel line, 124 feet, more or less, to the North right-of-way of Davidson Street; thence westerly, along the said North right-of-way, 118 feet, more or less, to the Northeasterly right-of-way of Monona Drive as presently located; thence northwesterly, along the said Northeasterly right-of-way which turns into the Northeasterly right-of-way of Atwood Avenue north of Cottage Grove Road, 675 feet, more or less, to the **Point of Beginning**.

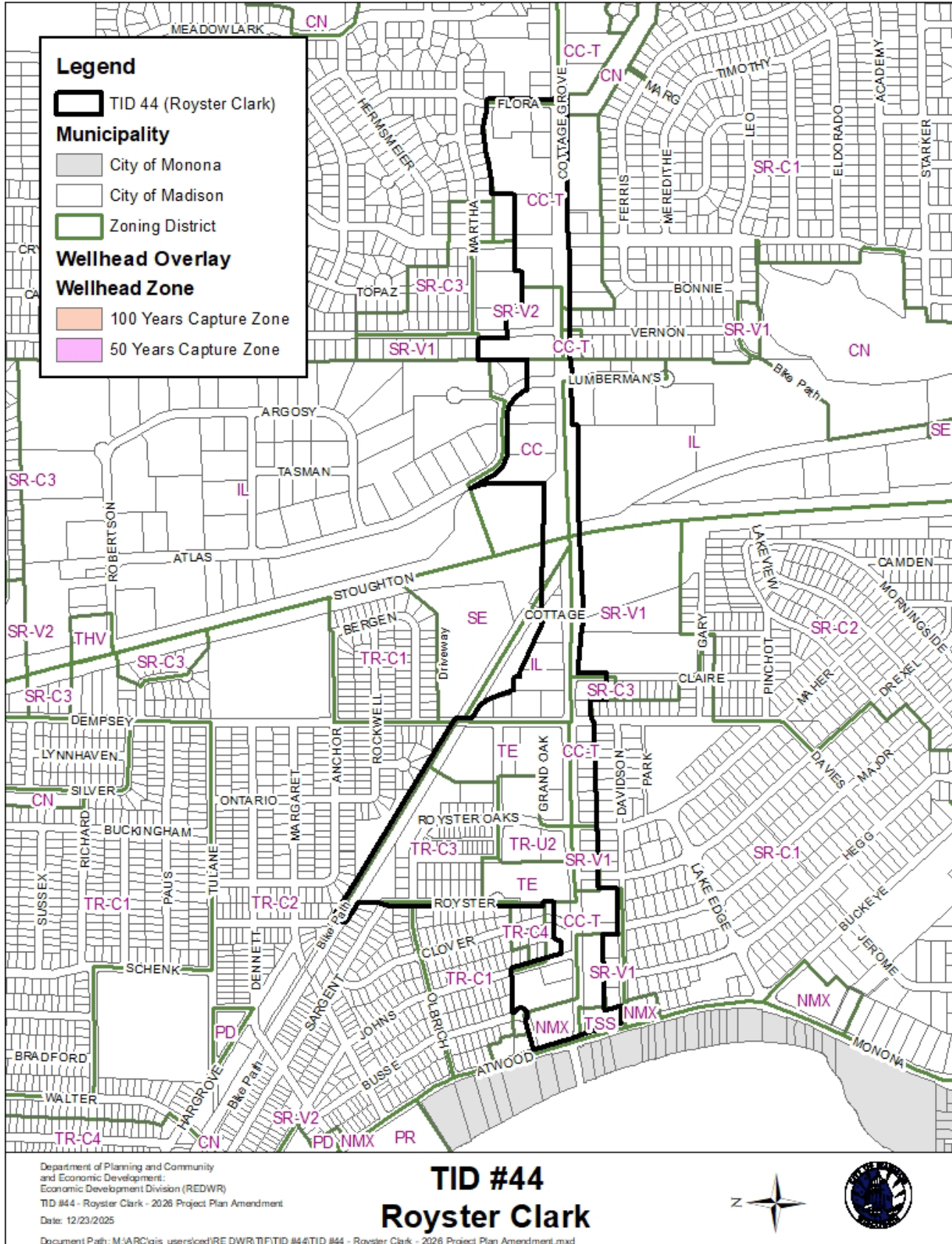
District Boundary



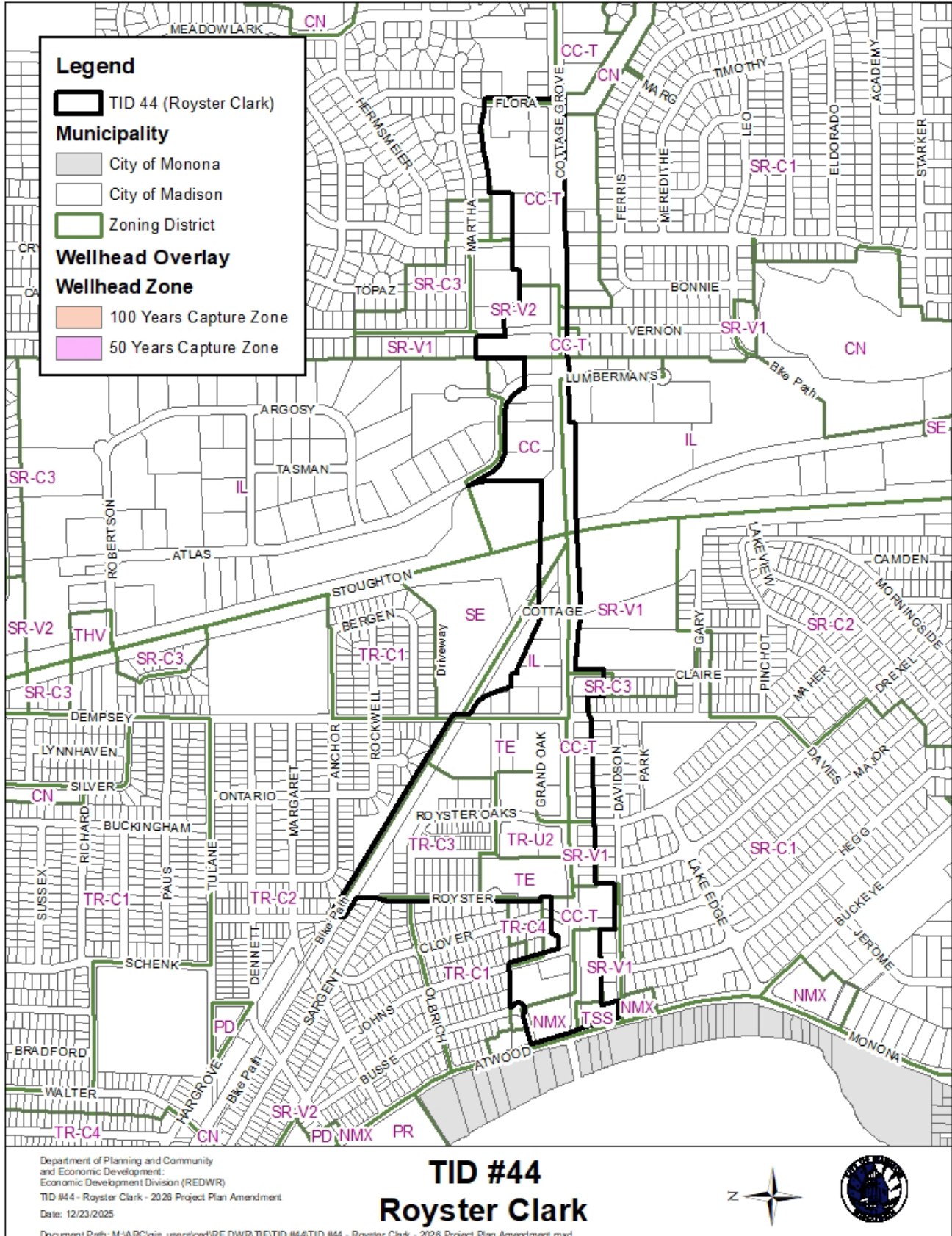
Existing Conditions (Blight Map)



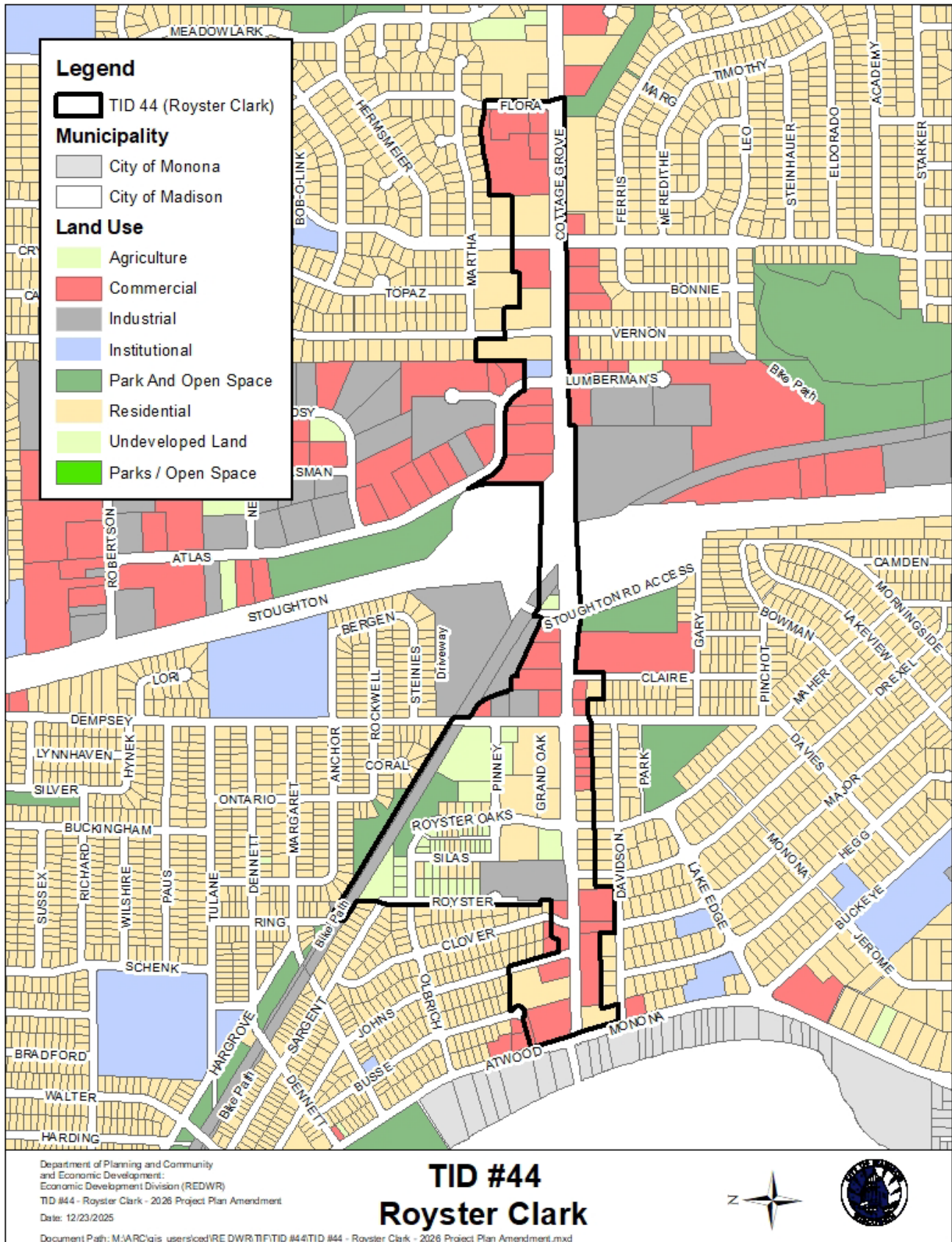
Existing Zoning



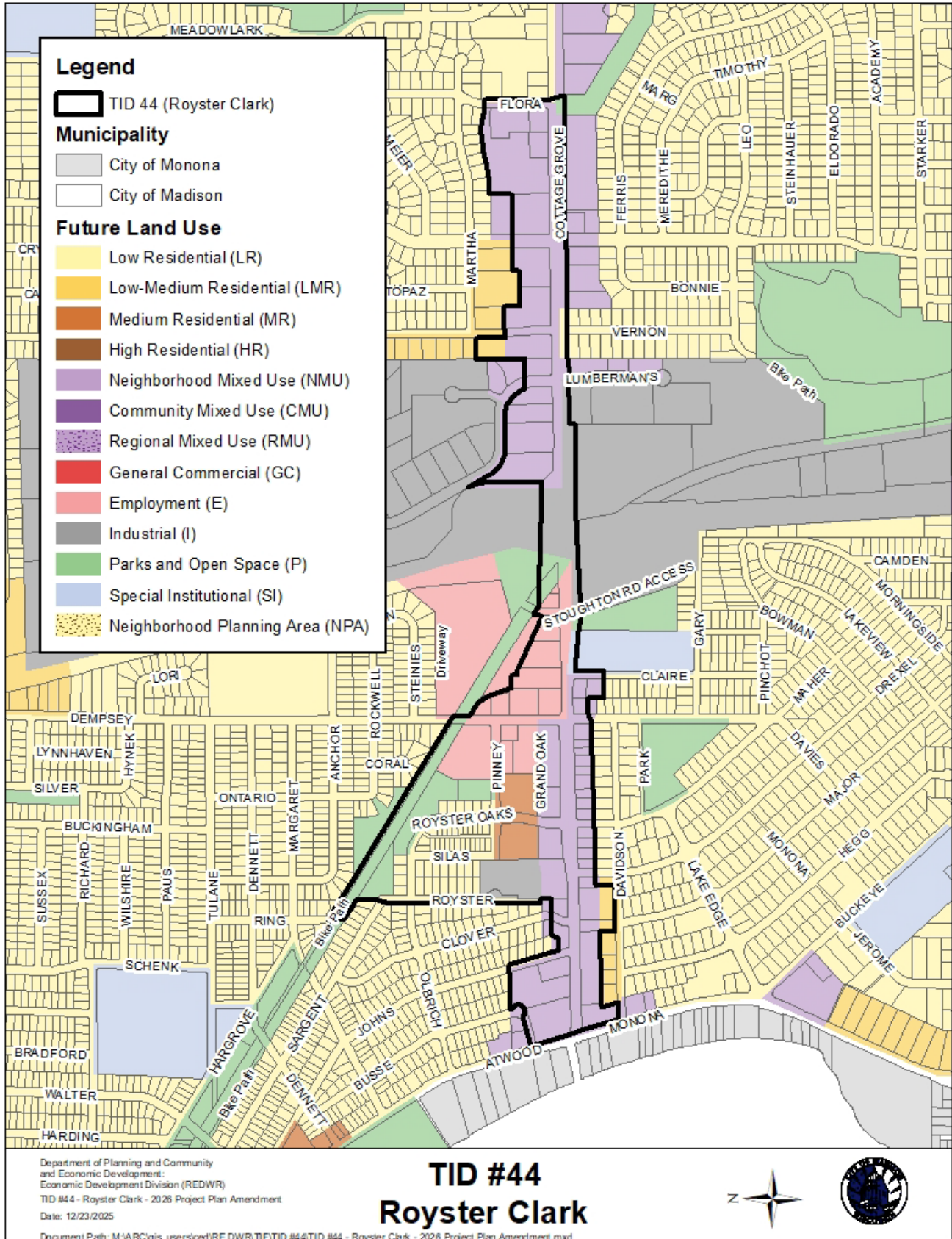
Proposed Zoning



Existing Land Use



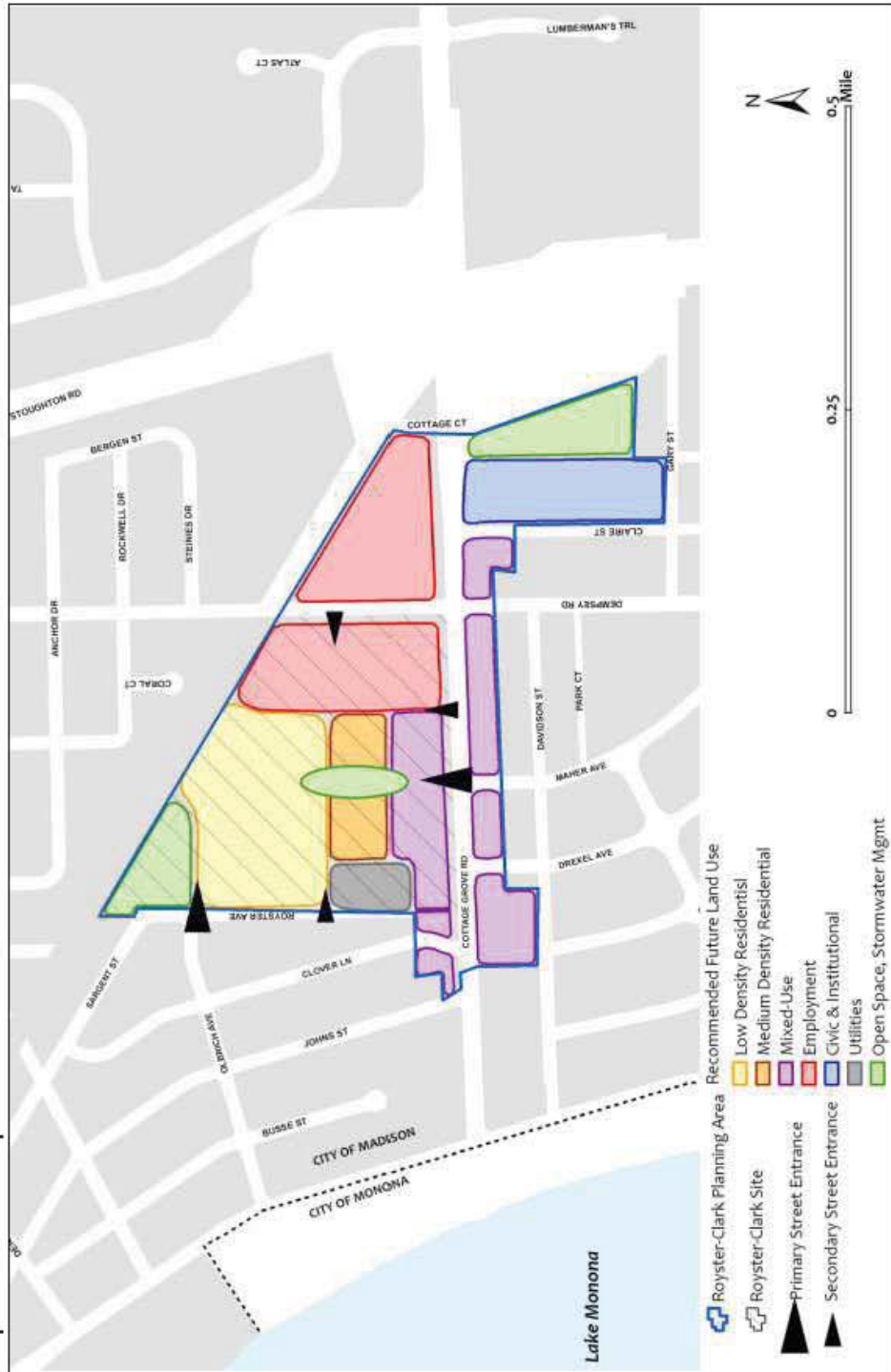
Proposed Land Use



Royster Clark Special Area Plan Proposed Land Use

RECOMMENDATIONS

Proposed Land Use Map



The Proposed Land Use Map provides framework for redevelopment of the Royster-Clark Planning Area. While the boundaries between land uses may have some flexibility, redevelopment proposal(s) should demonstrate consistency with this map and the recommendations accompanying it. Narrative in the following subsections describes expectations for each proposed land use.

City Attorney Opinion Letter



Office of the City Attorney

Michael R. Haas, City Attorney Patricia A. Lauten, Deputy City Attorney

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PARALEGAL
Ryan M. Riley

May 28, 2026

TO: Daniel Rolfs, Real Estate Development Manager
FROM: Matthew Robles, Assistant City Attorney
SUBJECT: Project Plan Amendment for TIF District No. 44 - City of Madison (Royster Clark)

Dear Mr. Rolfs:

In my capacity as Assistant City Attorney for the City of Madison, Wisconsin, I have examined the proposed 2026 Amendment to the Project Plan for Tax Incremental Finance District No. 44, City of Madison, Wisconsin (Royster Clark). Based on this examination, I am of the opinion that the amended Project Plan is complete and complies with the provisions of Secs. 66.1105(4)(f) and (h), Wis. Stats.

I render no opinion with respect to the accuracy or validity of any statement and/or finding contained in the Project Plan, but direct City officials to review the reports of City staff as regards to the Plan.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew D. Robles".

Matthew D. Robles
Assistant City Attorney

Exhibit G – Donation

Background

TIF Law allows excess tax increment funds to be transferred between certain TIF districts if the TIF Joint Review Board approves such allocations and if the TIDs have the same overlying taxing jurisdictions. TIF Law refers to this relationship as “donor-recipient.” According to TIF Law, positive increments may be transferred from a “donor” TID to a recipient district as part of a “donor-recipient plan.”

TIF Law requires that the project plans be amended for donor TIF districts and recipient districts in the event that new project expenditures are incurred that were not outlined in the original project plan.

The Common Council is considering adoption of a resolution approving an amendment to the Project Plan for TID 44 (Royster Clark). The resolution would establish TID 44 as a donor TID. The resolution and one-year donor-recipient allocation plan anticipate a transfer of positive increments to TID 42 (Wingra). Assuming this project plan amendment is completed for TID 44, a project plan amendment for TID 42 will be completed that would establish TID 42 as a recipient TID of these donated incremental revenues.

Current Status:

TID 44 (Royster Clark)

TID 44 was created on September 17, 2013. To date, the City has provided funding for infrastructure improvements in the TID and provided loans to private developers to assist projects in the TID. Through the end of 2023, the City had authorized approximately \$5.2 million of expenditures in TID 44, with an additional \$37,000 of expenditures authorized in the 2024 Capital Budget. Total capital costs identified in the project plan are \$8,214,700 (with \$0 non-TIF funded expenditures). The City estimates that TID 44 has an incremental value of \$81 million in 2023. The City estimates that TID 44 will receive approximately \$1.6 million in incremental revenue in 2024.

Given that TID 44 has \$257,000 in outstanding debt, the level of incremental revenue that TID 44 is generating (estimated at \$1,600,000 in 2024), the planned costs in TID 42, and the City’s desire to invest in South Madison, TID 44 is a potential donor to TID 42.

TID 42 (Wingra)

TID 42 was created on July 3, 2012. The City has spent TID funds to assist with the Wingra Clinic development (\$1.8 million), with the purchase of 1402 South Park Street from the Federal Government (the former Truman Olson Army Reserve Center), to purchase properties located at 1810 and 1901/1915 South Park Street, to redevelop the Village on Park mall, and to assist the Urban League of Greater Madison to develop a Black Business Hub. As of December 31, 2024, the City has spent approximately \$11.1 million in TID 42, with an additional \$10.8 million budgeted for expenditure in 2024 (total of \$21.9 million). In 2023, TID 42 had an estimated incremental value of \$151 million, which generates approximate \$3 million of incremental revenue per year.

On Oct 31, 2022, the Town of Madison dissolved and the City of Madison is now faced with major infrastructure challenges, decades of neglect, a struggling local small business landscape, and the potential for large scale displacement due to redevelopment and rapid gentrification. To continue to address these issues, the City is separately proposing to amend the TID 42 project plan to expand the City’s investments in infrastructure, provide assistance to small businesses, continue land-banking activities, invest in the City owned property at the Village on Park, and other investments designed specifically to support the residents of South Madison.

Recommendation

It is the City’s general practice to create a TID, wait for it to generate incremental revenue, and then begin investing in public projects. Because of the combined factors facing South Madison, including, but not limited to:

- Historic neglect;
- Rapidly approaching redevelopment and gentrification;
- The potential for large scale displacement of existing residents;
- A diverse population with a high number of low-income residents;
- A need to assist local businesses;

The City proposes to take action in advance by amending the TID 42 project plan to:

- Continue to provide funding to support the redevelopment of the Village on Park, including supporting the Urban League’s Black Business Hub;
- Expand infrastructure investments;
- Provide assistance to small businesses;
- Begin land-banking activities;
- Other actions that will directly address the challenges facing the residents of South Madison.

As TID 42 is not generating sufficient increment to pay for the proposed amended project costs in and adjacent to TID 42, the City proposes to amend TID 44 to donate excess incremental revenues to TID 42. It is the City’s general practice to retire TIF districts within 10-12 years rather than extend their life to the full 20- or 27-year period (depending on their creation date) so that overlying taxing jurisdictions may receive the tax benefits of new growth sooner, rather than later. This practice also secures the City’s flexibility to create future TIDs while complying with the 12% equalized value test required in TIF Law.

However, the requirements for investing in South Madison are such that the City is proposing a different approach. Previous TIDs in revitalization areas, such as TID 38 (Badger Ann Park) and TID 40 (Northside), borrowed funds to invest in infrastructure, awaiting value growth that did not occur. The City resorted to donor TIDs to repay the TID borrowing. If such donor TIDs were not available, the City would have had to repay such borrowing from its General Fund. Donor TIDs only exist for a brief period of time, in that they have recovered their cost and have excess tax increment available. By TIF Law, they must be used as donors or must close.

Given these previous experiences, and the fact that TID 44 is forecasted to generate excess tax increment in 2024, the City is proposing to preemptively donate excess incremental revenues from successful TIDs, such as TID 44, into an area of South Madison located in and adjacent to TID 42 in the City of Madison corporate limit to complete efforts that have already been started.

Donation Schedule

Donor District	2024	2025	2026	2027	2027	Total
TID 44 (2024 Amendment Donation Schedule)	1,600,000	0	0	0	0	1,600,000
				Total		1,600,000
Recipient TID						
TID 42 (2024 Recipient Schedule)	1,600,000	0	0	0	0	1,600,000
				TID 42 Subtotal		\$1,600,000