

Department of Planning & Community & Economic Development

Planning Division

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To: Economic Development Committee

From: Chris Wells

Date: December 17, 2025

Subject: Southeast Area Plan Update

Background

The Southeast Area Plan is the third of 12 area plans that lend more detail to the City's <u>Comprehensive Plan</u> by providing area-specific actions. Area plans create a long-term vision to guide changes in the physical aspects of our community, such as development initiated by the private sector and infrastructure improvements typically carried out by the public sector. Plan recommendations are guided by adopted City policies and feedback from the community. Plans are used to guide the types and locations of new development, identify locations for investment in public infrastructure, ranging from parks to sewers and bike paths. Plans help prioritize what investments the community wants to pursue with limited resources.

Staff is updating the Committee on the draft Southeast Area Plan Economy and Opportunity chapter actions and seeking Committee feedback prior to compiling a final draft of the Southeast Area Plan for introduction at Common Council. Please see the <u>project website</u> for maps, background material, public feedback summaries, and material from past meetings.

Public Engagement

Staff has undertaken many public outreach and engagement events and activities throughout the planning process. The most prominent outreach relating to economic development was the June 3, 2025 <u>business</u> <u>walk</u> led by Economic Development Division staff.

Initial feedback and summer feedback was used to draft actions and maps in late summer/early fall. Draft actions and maps were released for public review on October 17th, with a "storymap" walkthrough of highlights. An in-person open house to discuss draft actions and maps with the public was held on October 21st, with virtual meetings on October 21 (noon) and November 4 (evening). Staff also worked with nINA Collective to hold two focus groups (a Spanish-language discussion and a discussion held in association with Access to Independence). Commenting on draft actions and maps via the online Konveio site closed on December 4th. Here is a link to that Konveio site

Economy and Opportunity Actions

- 1. As there is significant vacant land in the southeast quadrant of the planning area, explore the creation of a new Tax Incremental Finance District (TID) in this general area to increase business support programs such as the City's Small Cap TIF Business Loan Program which has forgivable loan funds available for growing businesses in TID Districts.
- 2. Revitalize the commercial corridors (particularly the Milwaukee Street corridor)
 - Examine opportunities for more investment in small businesses to reduce large number of empty storefronts along Milwaukee Street
 - i. Small Cap TIF programs for business grants/loans
 - ii. Façade Grants
 - iii. Opportunities for new mixed-use development
- 3. Examine how the available City-owned land in the Southeast Madison Business Park could support increase employment (and possibly industrial uses) in the area



- o Identify properties that could accommodate additional development.
- Analyze area zoning and restrictive covenants to see if there is interest in opening the area up to Industrial Limited (IL) uses.
- Consider re-platting or other parcel changes to make city-owned parcels within the existing Business park a better fit for development:
- o Analyze developability of City-owned land north and south of the Business Park.
- 4. Evaluate the existing restrictive property covenants in Industrial Areas in the Southeast Area to determine if they are still needed or if covenants hamper potential employment growth and redevelopment of the area.

- 5. Explore Opportunities for the City to Land-Bank
 - a. Explore adding employment uses to the City's existing land banking policy to help reposition underutilized older industrial properties into modern light and heavy industrial space through City assistance.
 - b. Evaluate the prospects for the City to land bank underutilized and vacant properties in the South Stoughton Rd. corridor if business vacancies continue or increase, possibly in conjunction with creation of a new TID.
- 6. As part of the City's Facilities Plan, which is currently under development, review City-owned Fire Department properties along Femrite Drive to determine if they are still needed for Fire Operations (3202 Dairy Drive, 3218 Dairy Drive, and 3202 Agriculture Drive) or if they could be repositioned for new development.

The actions shown above are City-led. The Economy and Opportunity chapter also includes several partnerships. A full draft of the plan, including partnerships, maps, and actions from other chapters, is linked through the <u>project website</u>.

Economic Development Committee Discussion

Staff is seeking feedback from the Committee on draft actions and maps prior to completing a full final draft:

- 1. Is there anything you think we missed?
- 2. Do you have additional comments or questions?