



MADISON: Hub of an Innovation Region

***Presentation to City of Madison
Economic Development Committee
April 20, 2010***

**Tim Cooley
Director, Economic Development Division**

“It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of light, it was the season of darkness, it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us...”

Charles Dickens, A Tale of Two Cities



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Quizzes

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The Kiplinger Letters


Kiplinger Store

Customer Service

Corporate Sales

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Best Cities | THE KIPLINGER RATINGS

BEST CITIES 2009: IT'S ALL ABOUT JOBS

Discover boomtowns offering new, stable careers.
Our top choice this year? Huntsville, Ala.



- **SLIDE SHOW:** Our Top 10 at a Glance
- **TOOL:** Find Your Best City
- **RANKINGS:** See All 361 Metro Areas
- **READERS' CHOICE:** Vote For Your Favorite City

VIDEOS

Take a Virtual Tour

Join us as we visit our 2009 Best Cities in search of opportunity and a high quality of life.

- Huntsville: Flying High
- Albuquerque: Solar City
- Washington DC: Talk About Stimulus
- Charlottesville: Renaissance Town
- Athens: Southern Comfort
- Olympia: Northwest Jewel
- Madison: Still on Track



Online Extras

PODCAST: HOW WE CHOSE OUR 2009 BEST CITIES



Senior editor Bob Frick talks with our master demographer, Kevin Stolarick,

about criteria we used to make our picks.

[See Our Methodology](#)

TOOL: FIND YOUR OWN BEST CITY



Our updated and revised city finder picks up to five metro areas that best match your

criteria for the perfect place to live. Try it and see.

RANKINGS: SEE ALL 361 METRO AREAS



Find out how your hometown ranks compared to the

Kiplinger.com Video

Madison, WI

- POP: 548,154
- MEDIAN HOUSEHOLD INCOME: \$58,090
- % OF WORKFORCE IN CREATIVE CLASS: 35.1%






RANKED 7

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PAUSE email get link get code MENU

YOU ARE WATCHING:
Madison: Still on Track

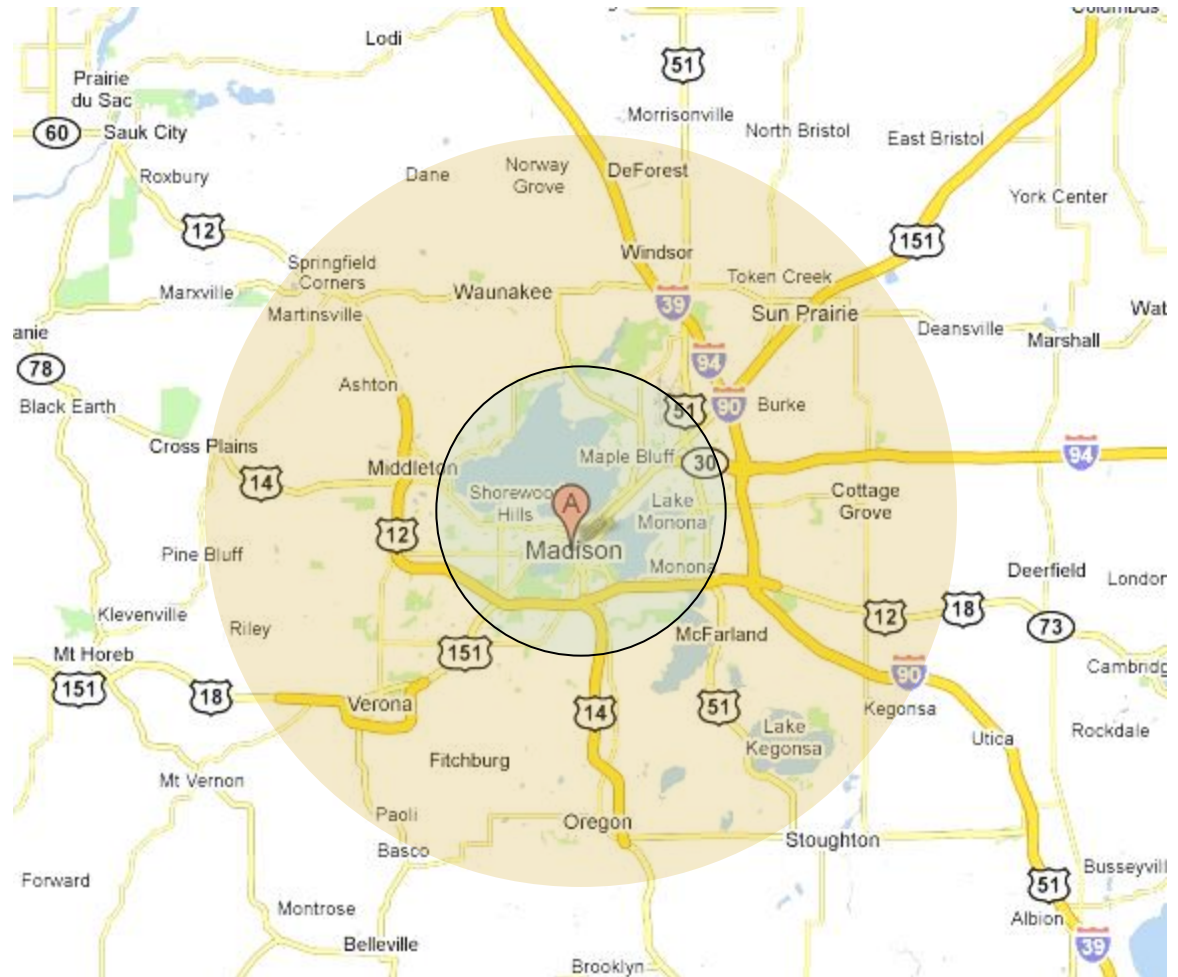
Basics Investing **Best Cities** Tax Tips Real Estate Retirement Col...

-  **Washington DC: Talk About Stimulus**
1min 49sec
PLAY
-  **Charlottesville: Renaissance Town**
2min 11sec
PLAY
-  **Athens: Southern Comfort**
1min 52sec
PLAY
-  **Olympia: Northwest Jewel**
1min 47sec
PLAY
-  **Madison: Still on Track**
1min 58sec
PLAY



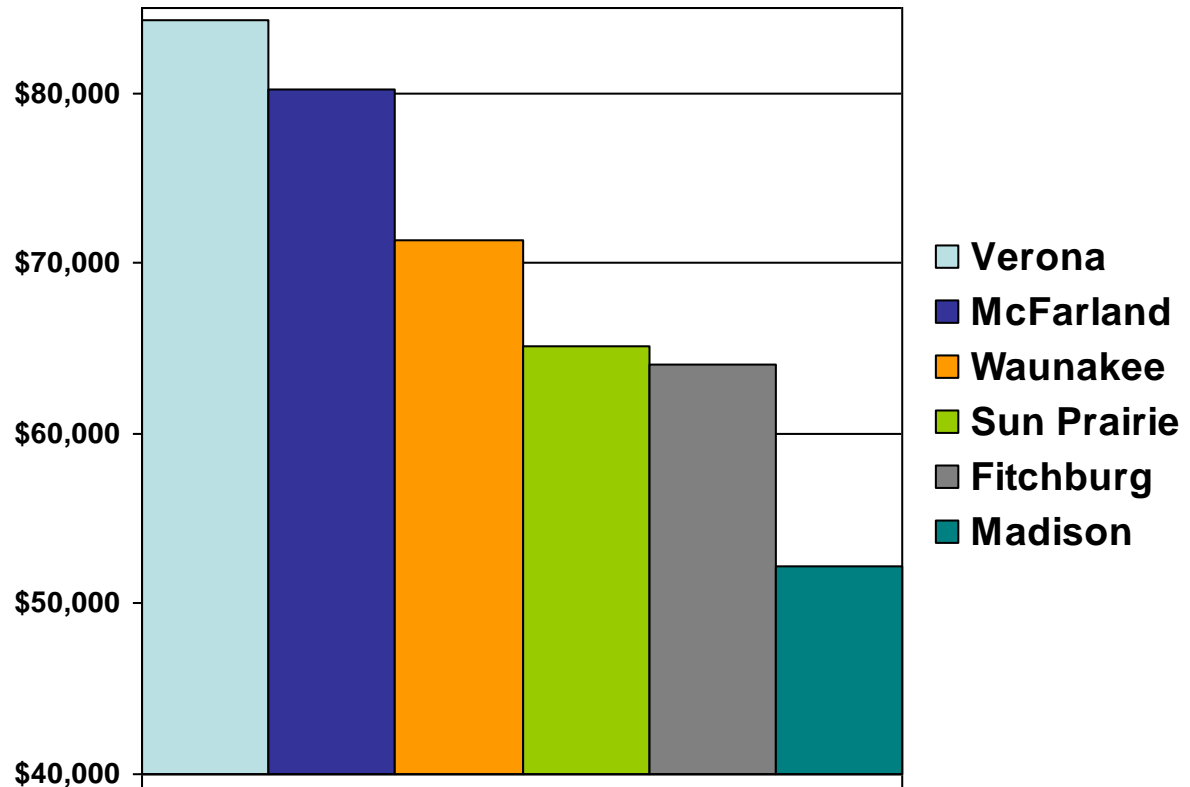
Fifteen Mile Circle

The core depends on the suburbs and the suburbs depend on the core.



Large Disparity with Immediate Suburbs

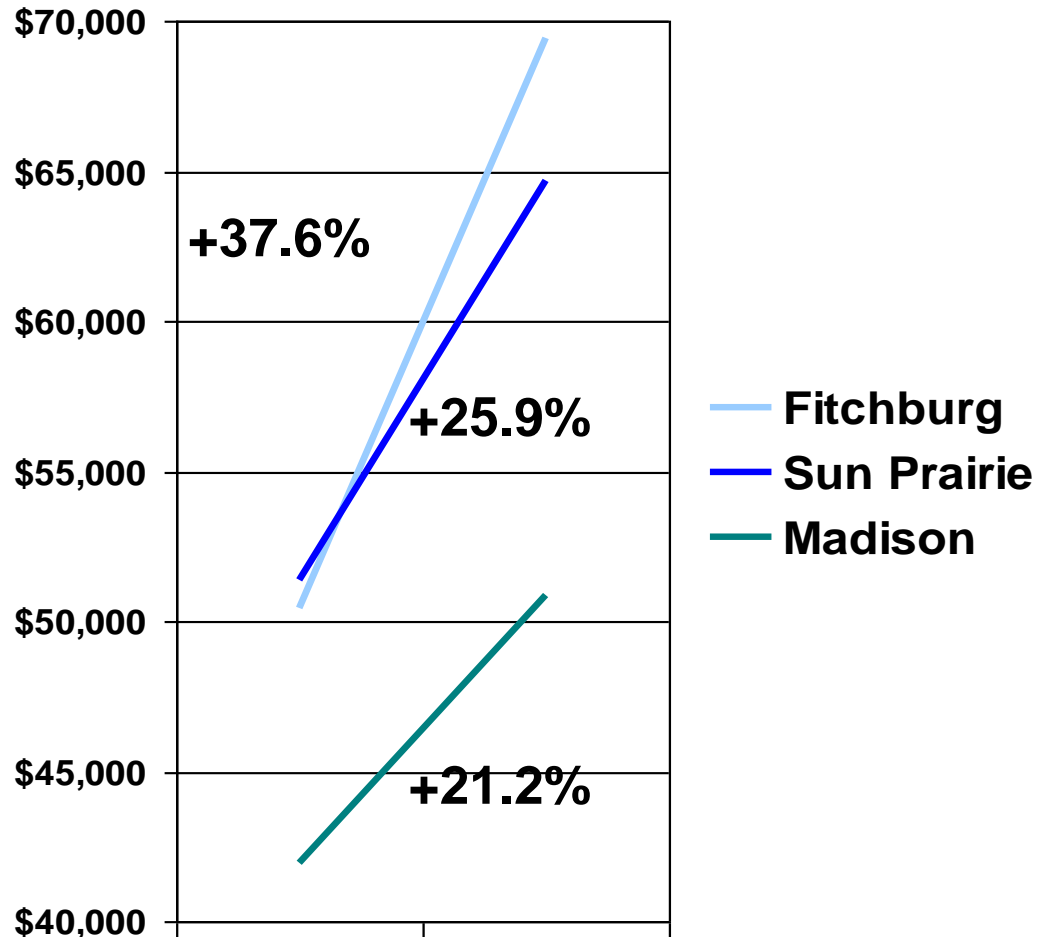
2008 Median Household Income



Source: U.S. Census Bureau, American Community Survey

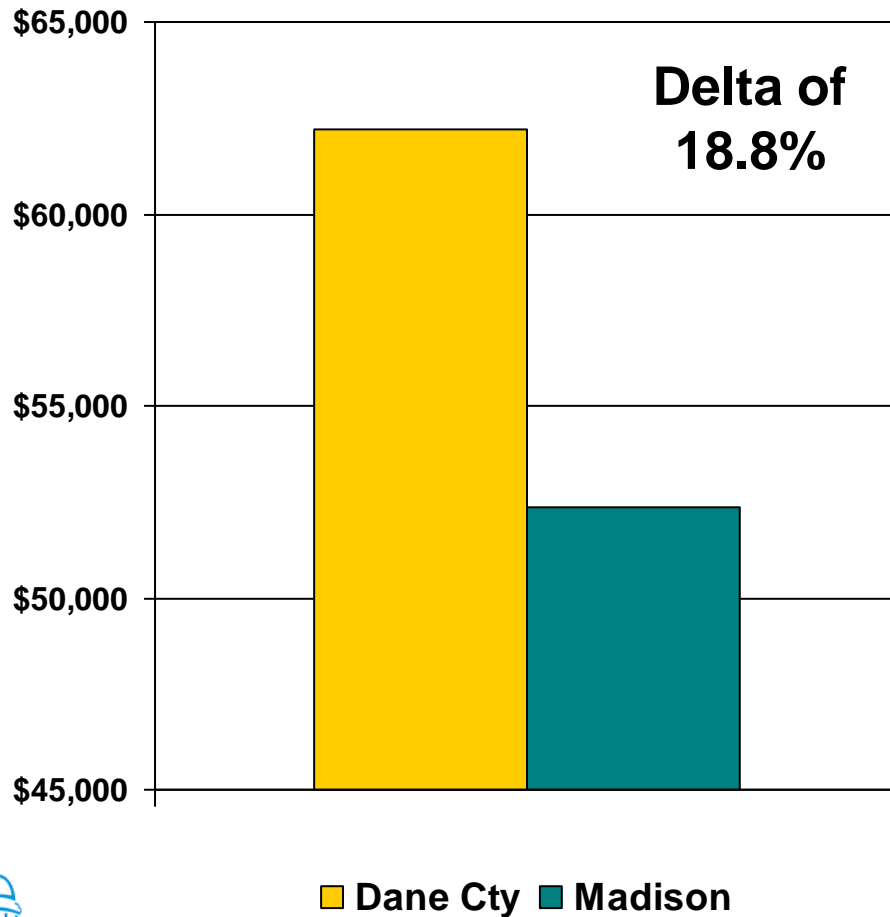
Madison Growth vs. Immediate Suburbs

2000 - 2008 Median Household Income



Source: U.S. Census Bureau, American Community Survey

Median 2008 Household Income

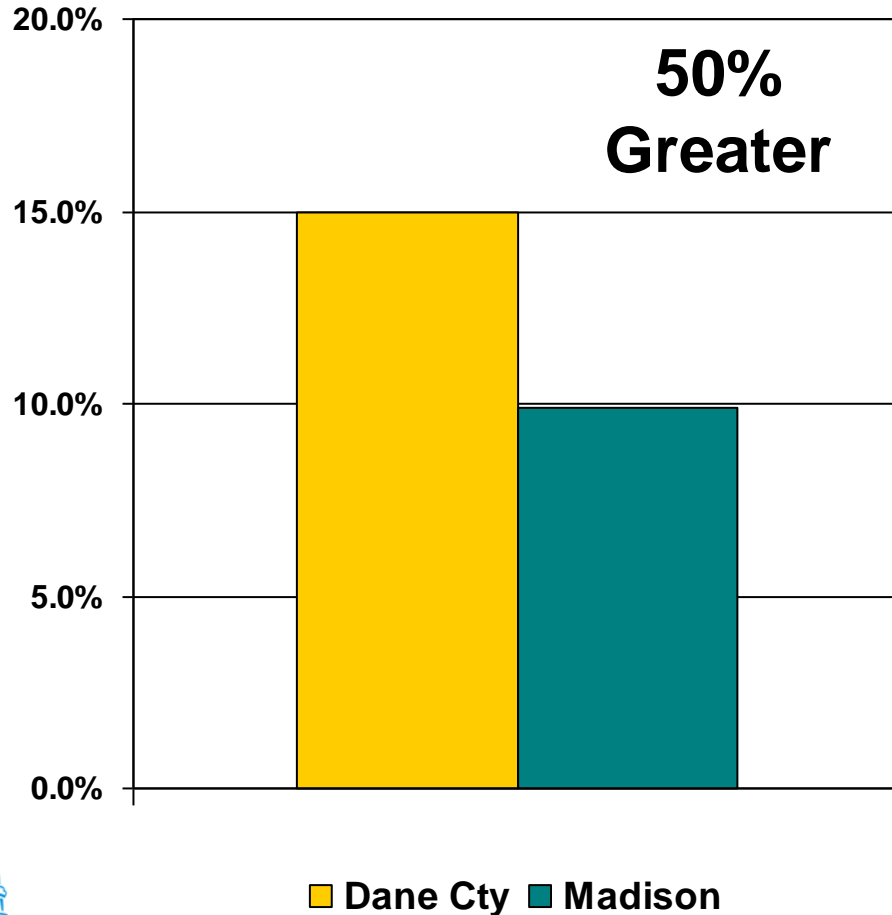


- **Madison is lagging rest of county.**
- **Wealth is moving to the suburbs.**
 - Added discretionary income
- **Commercial development is following**
 - Retail/service/office/industrial/hospitality




Source: U.S. Census Bureau, American Community Survey

Job Growth Rate 2000-2008



- Statistics are for location of the job vs. individual holding the job.
- As household and discretionary income moves, jobs follow.

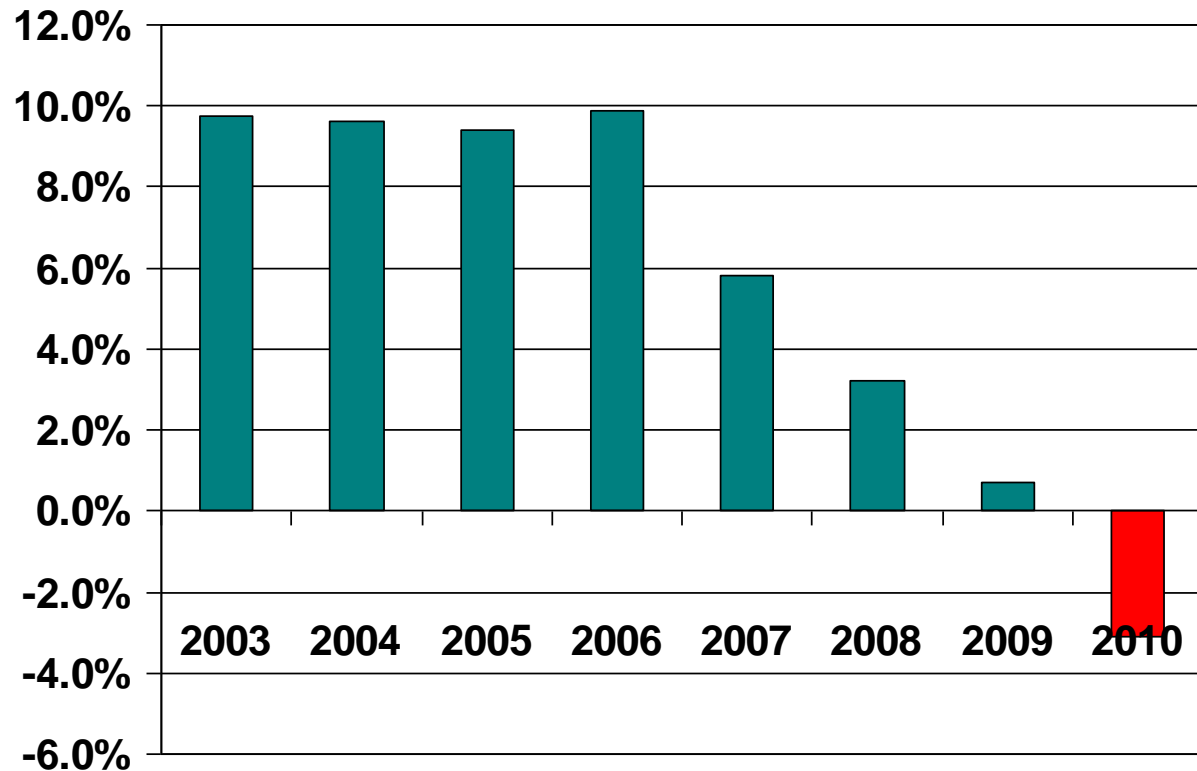
City of Madison

- **Ability to fund services is determined by revenue.**
 - Assessed value
 - Property tax rate

72%
of total city revenue
- **Revenue is dependent on ability to maintain and grow property values**
- **Goal is to optimize value of property**
 - Residential
 - Commercial
 - Industrial
 - Agricultural

Assessment Change Over Previous Year 2003 – 2010

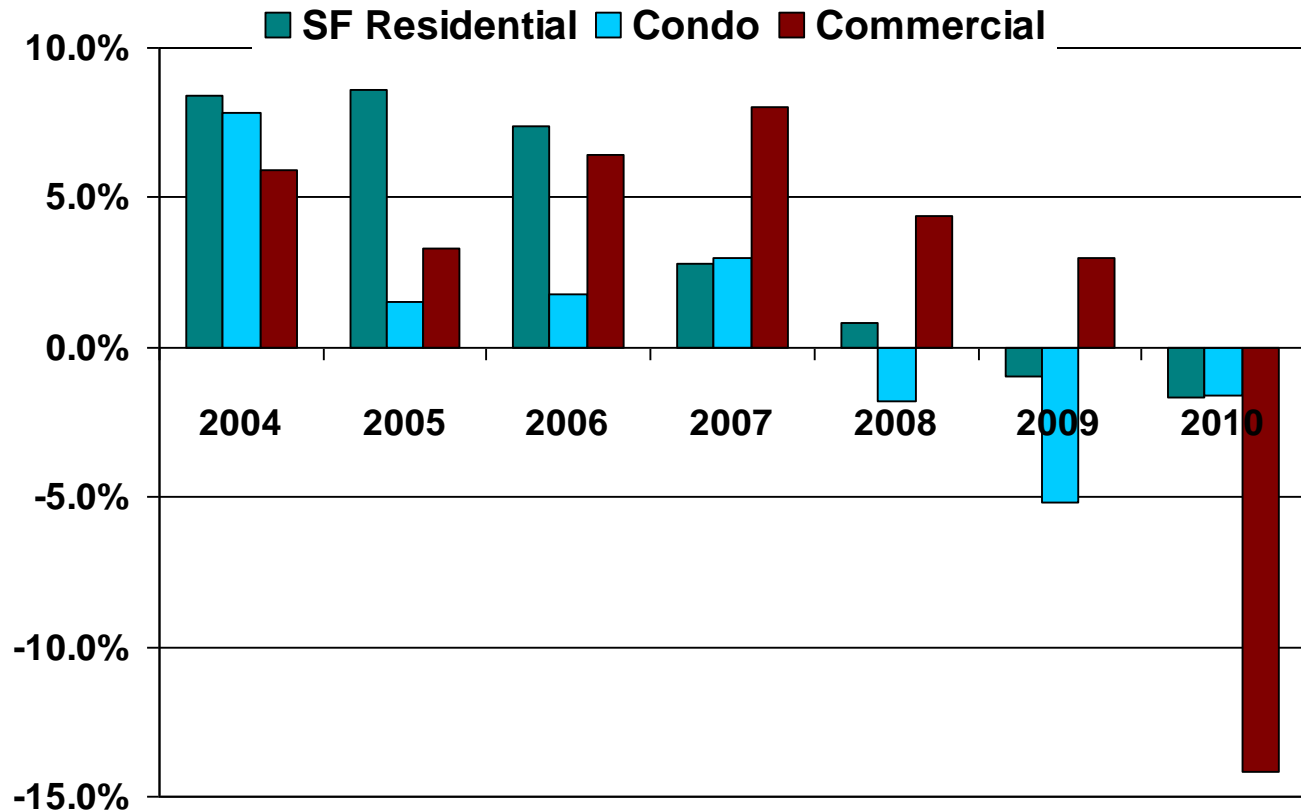
OVERALL



Source: City of Madison Assessors Report

Assessment Change Over Previous Year 2003 – 2010

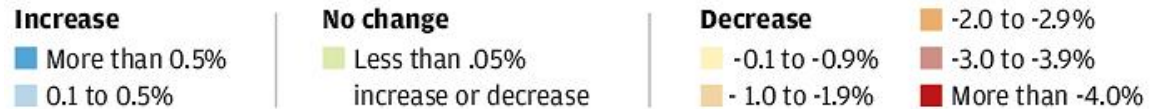
On average single-family residential, condo & commercial property



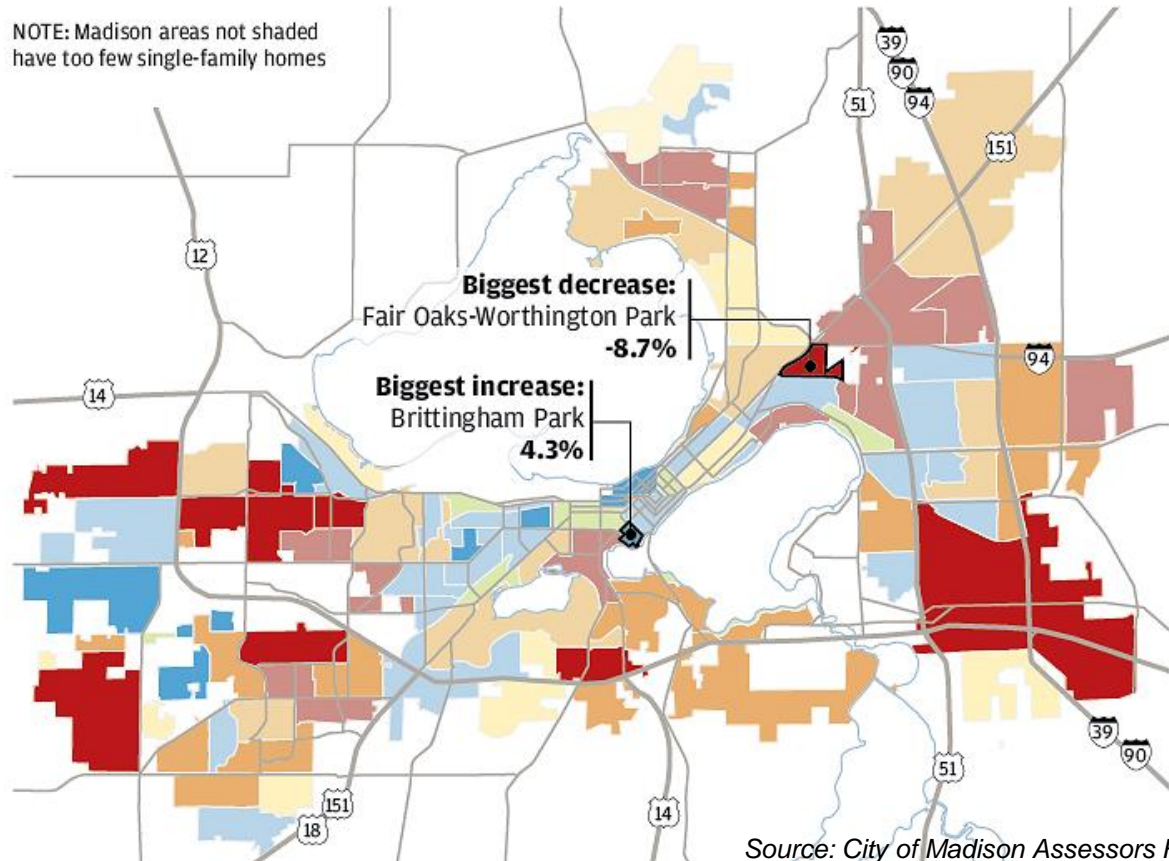
Source: City of Madison Assessors Report

Assessment Change Over Previous Year

2009-2010 Single Family Residential Heat Map

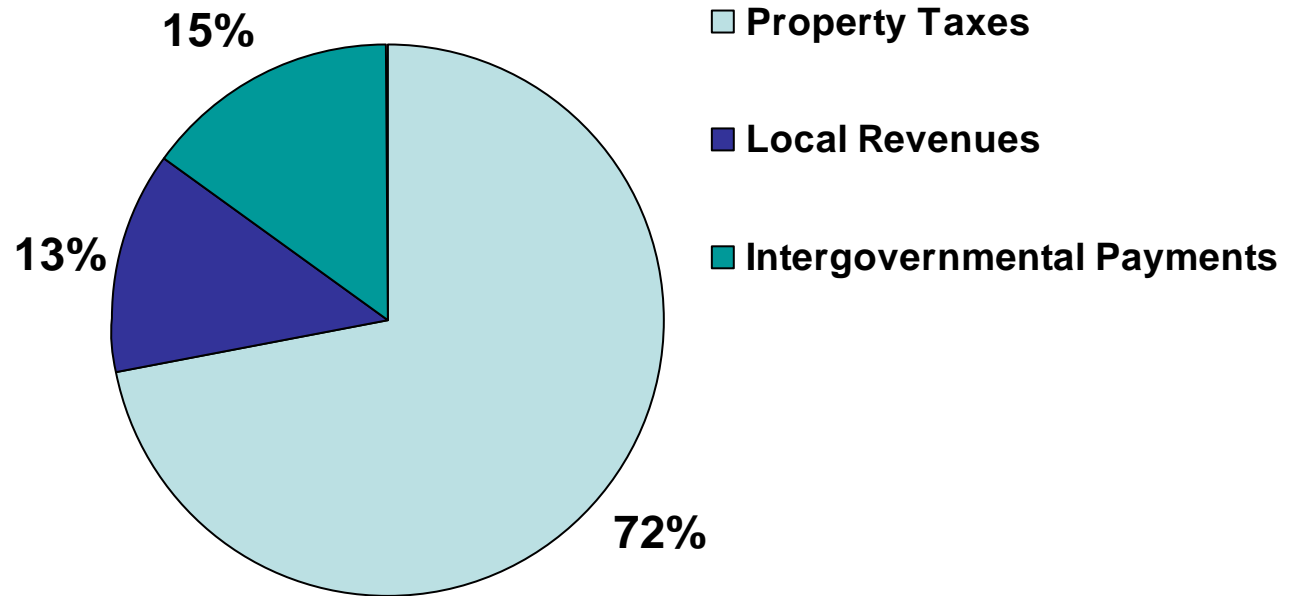


NOTE: Madison areas not shaded have too few single-family homes



Source: City of Madison Assessors Report

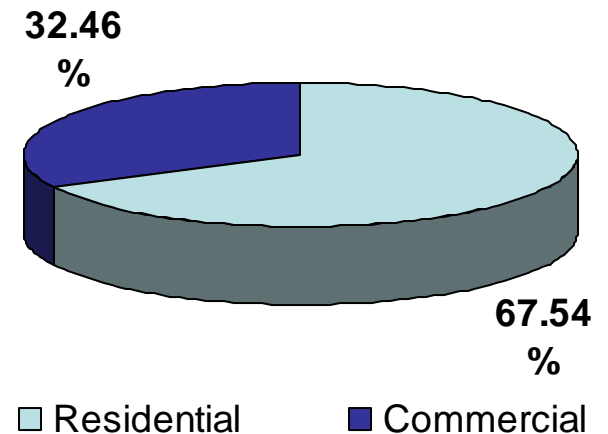
City of Madison Funding Sources by Major Category



2009 City of Madison Assessment Data

Breakdown of \$224.5 M INCREASE over 2008	Change in \$ Millions
New Construction	377.8
Revaluations	(233.8)
Annexations	5.3
Real Estate Exemptions	(8.9)
Buildings Removed	(7.2)
Property Formerly Exempt, Now Assessed	12.3
Personal Property	79.0
TOTAL	\$224.5

On a \$23.0B base

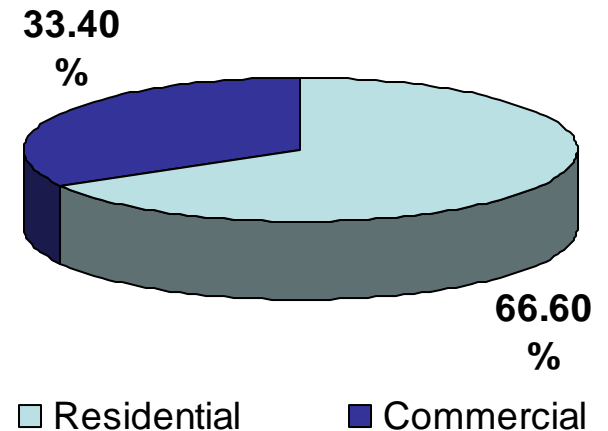


Source: City of Madison Assessors Report

2010 City of Madison Assessment Data

Breakdown of \$671.7 M DECREASE over 2009	Change in \$ Millions
New Construction	246.6
Revaluations	(885.9)
Annexations	4.3
Real Estate Exemptions	(48.6)
Buildings Removed	(2.9)
Property Formerly Exempt, Now Assessed	13.8
Personal Property	1.0
TOTAL	\$(671.7)

**On a \$20.8B base
(- \$2.2B)**

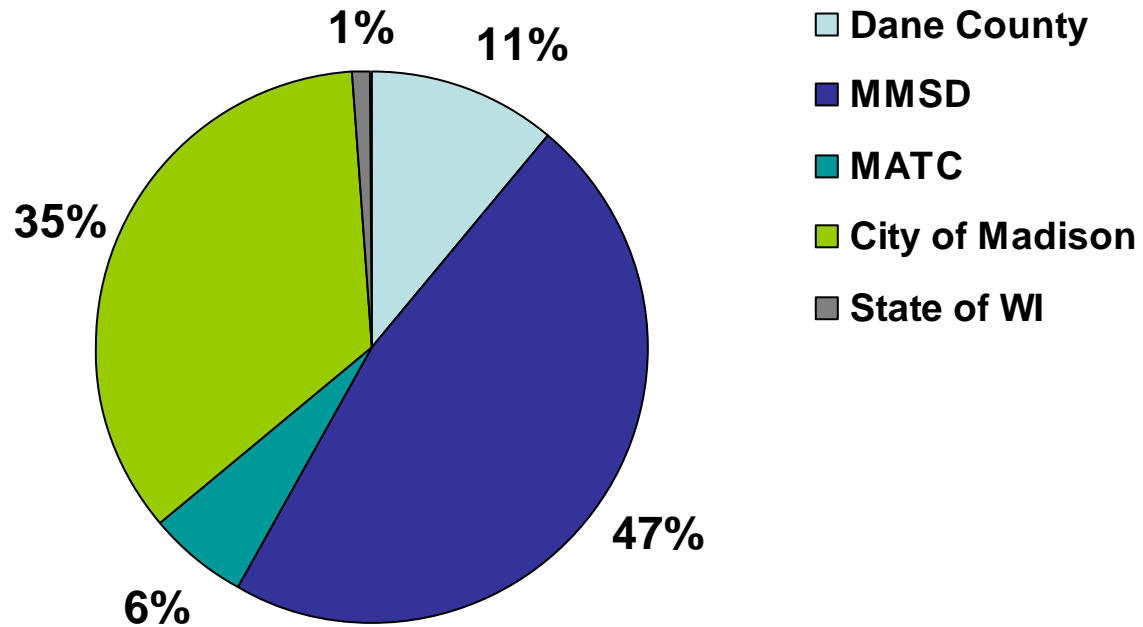


**Net impacts assuming same levy
as current year:**
City = (\$5.32M)
MMSD = (\$7.03M)

Source: City of Madison Assessors Report



Allocation of Local Property Taxes













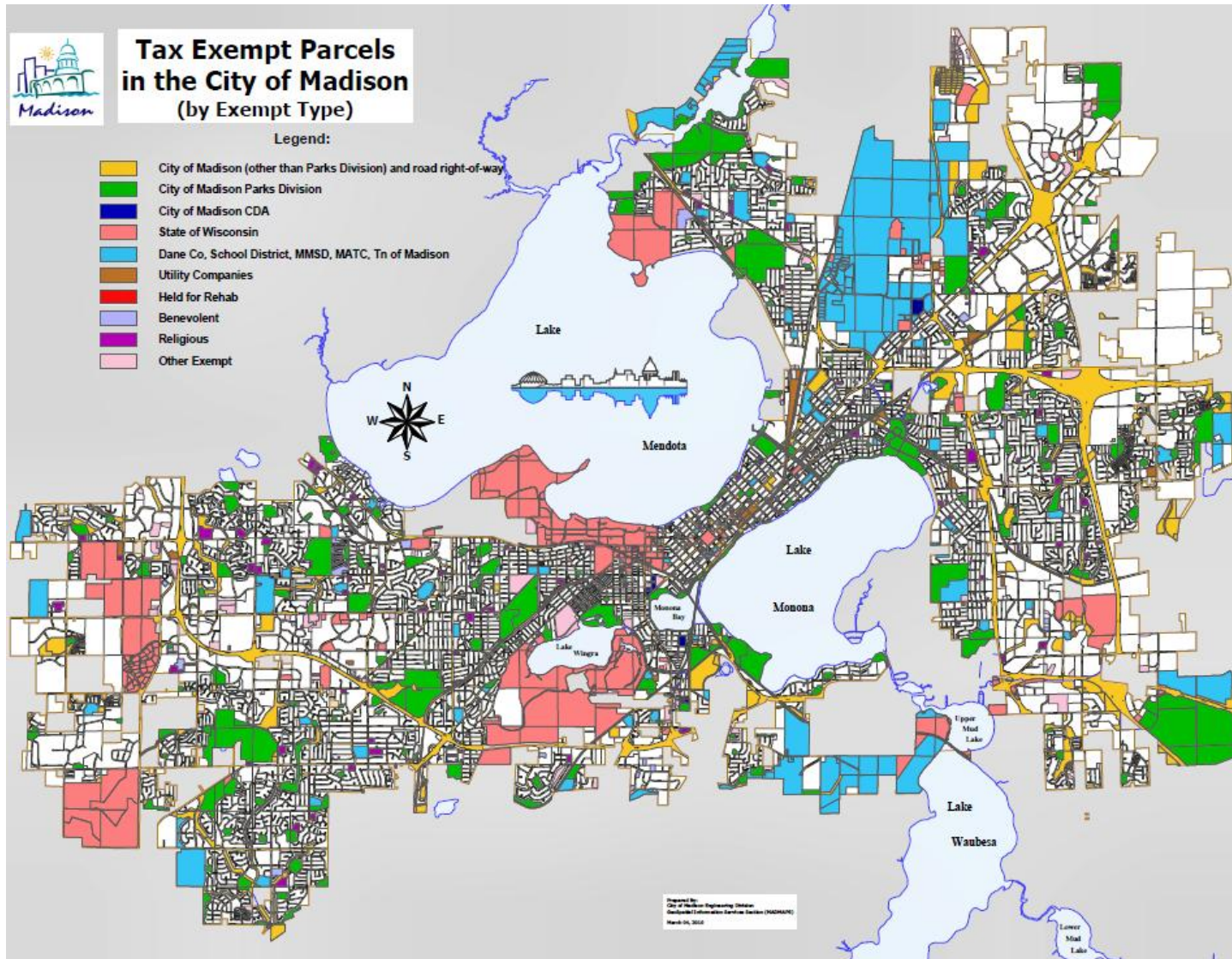
Source: City of Madison 2010 Operating Budget



Tax Exempt Parcels in the City of Madison (by Exempt Type)

Legend:


-  City of Madison (other than Parks Division) and road right-of-way
-  City of Madison Parks Division
-  City of Madison CDA
-  State of Wisconsin
-  Dane Co. School District, MMSD, MATC, Tn of Madison
-  Utility Companies
-  Held for Rehab
-  Benevolent
-  Religious
-  Other Exempt

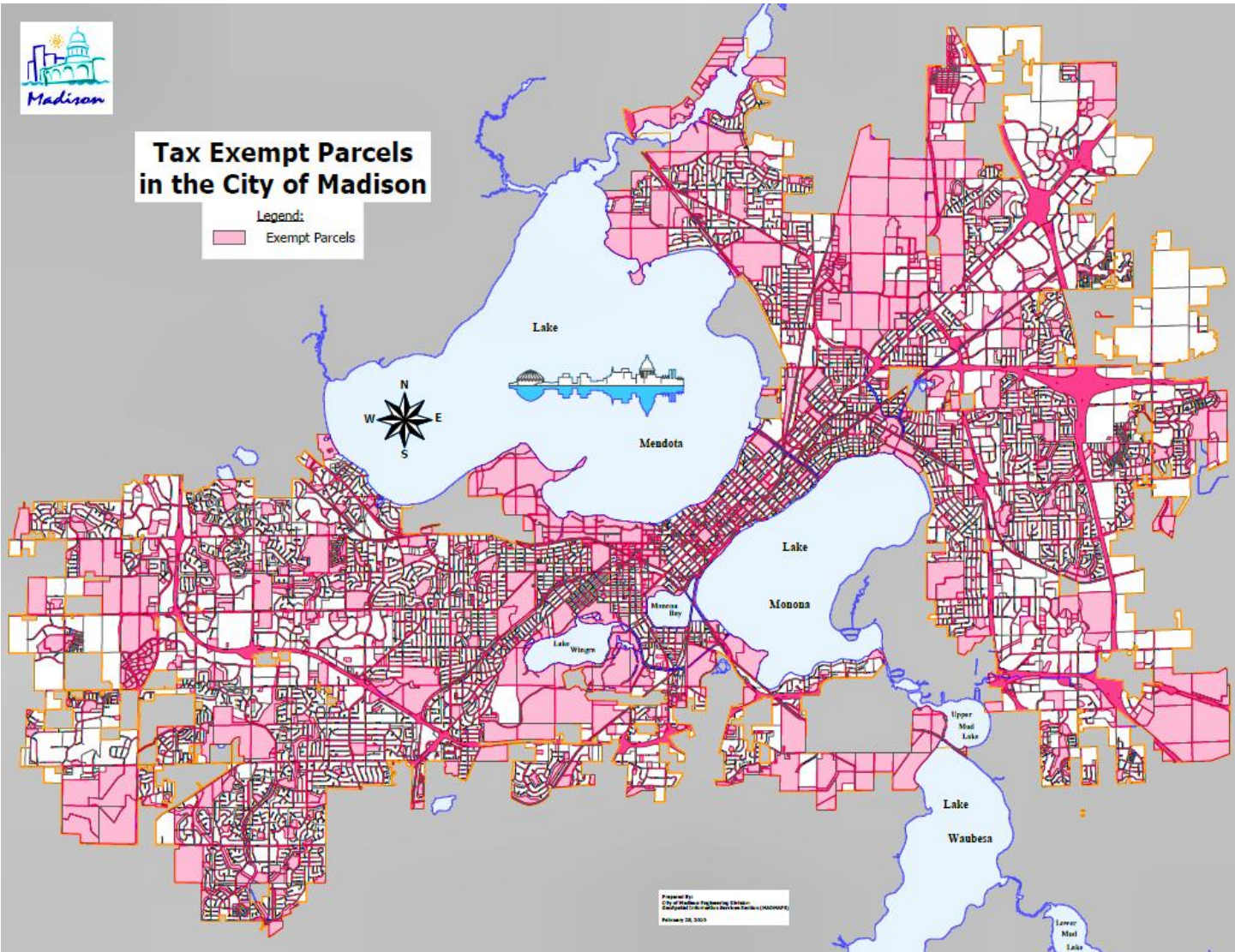




Tax Exempt Parcels in the City of Madison

Legend:

 Exempt Parcels



Prepared by:
City of Madison Engineering Division
Digitized by the Madison Metropolitan Council (MADMMCO)
February 28, 2009



Level of Service = Levy x Asset Value



Creative
Madison
Innovation
Hub
Region



Creative
Madison **Innovation** **Hub**
Region



Economy = sustainability

Third Wave of Economic Development

	1st Wave 1930s-1970s	2nd Wave 1980s-early 2000s	3rd Wave <i>Going Forward...</i>
Problem	Lagging regions	Structural change	Declining competitiveness
Extent of Problem	Firm specific	Episodic, firm specific	General, systemic
Goal	Attract plants	Create jobs	Improve competitiveness Increase regional wealth
Targets of Policy	Relocating or new plants of large corp.	New or expanding business (often small businesses)	Groups or clusters of mutually reinforcing, high value-added globally-focused firms & enabling infrastructure
Means	Market the area, give subsidies	Disjointed programs (training, capital, etc.)	Integrated provision of support services & infrastructure
Tactics	“Smokestack chasing”	Respond to requests that firms define	Lead firms in new direction Map the future
Organization	State departments of commerce	Multiple state organizations	Business-led, public/private, locally / regionally operated
Measurement	Number of firms attracted	Number of jobs attracted/retained	Increased firm competitiveness (productivity, new products, etc)



“One of the most important functions that a city can provide is an environment for stable, quality jobs for its citizens.”



CAPITOL EAST

District



Goal of all these efforts:

Create a major urban employment center with a lively pulse, and grow the tax base in a significantly underutilized corridor in the heart of Madison.





CAPITOL EAST

District

“As one of the major entry-ways into Madison, the E. Washington corridor should be much more than what it is today.

It can realize its potential and be our great gateway into our city.”





CAPITOL EAST

District

Yahara Riverfront

Waterfront living, business and restaurants on an active lake-to-lake riverfront.

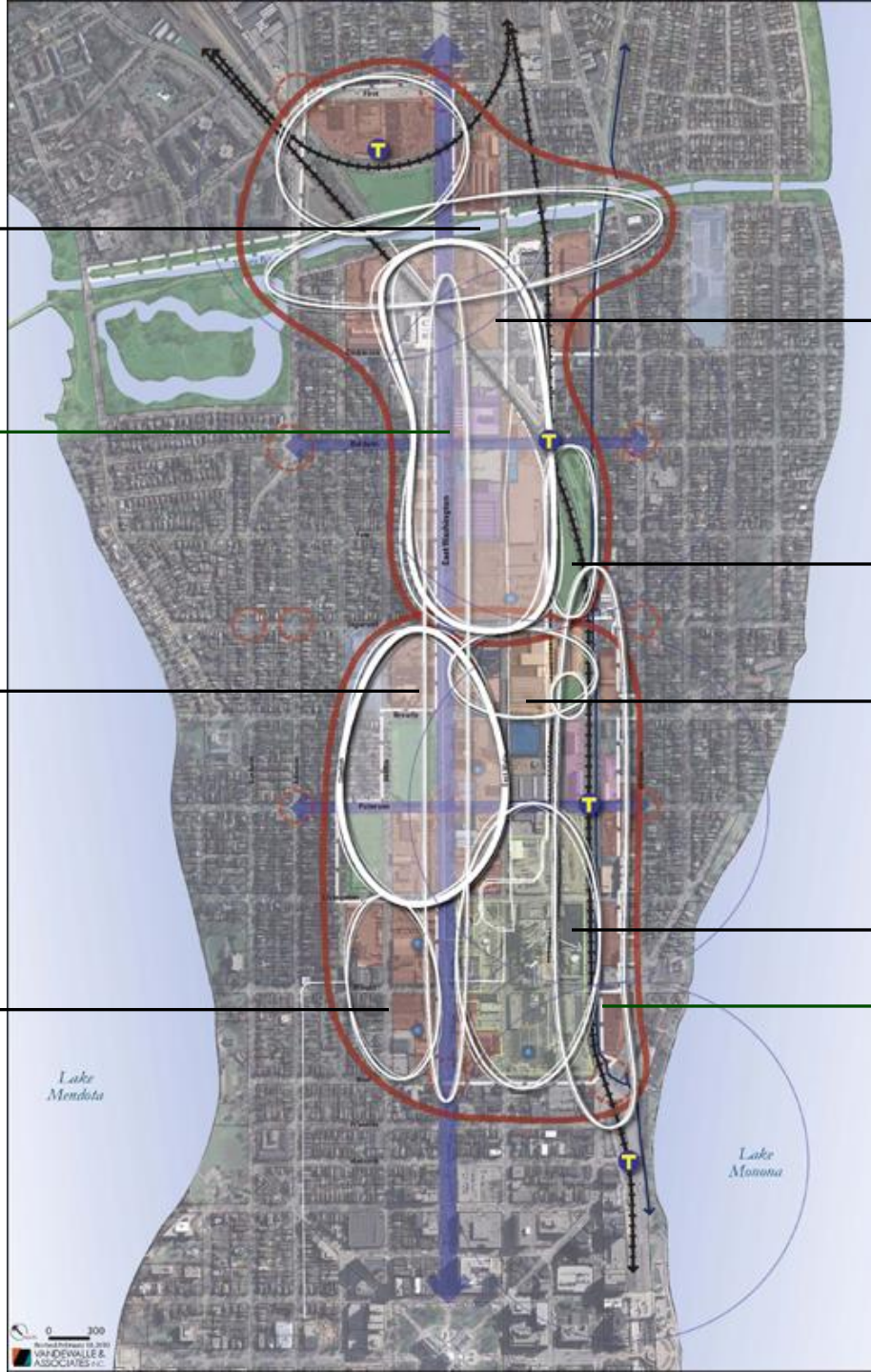
The Avenue

A high energy creative avenue that showcases the corridor's innovative pulse, renewable energy, and new image.

Capitol East Center

The centerpoint. The four corners. A walkable high-density business, living, and entertainment district anchored by the energy center and a rebirth of Breese Stevens.

Mifflin Residential



Urban Technology Campus - Metro

A transit oriented R&D business and applied education center at the intersection of engineering, creative trades, and IT.

Central Park

Research Products

HVAC, air purification, and geothermal equipment.

MG&E Downtown Campus

Madison's Carbon-free Expressway

A bike corridor transformed into an interactive small business, entertainment spine.

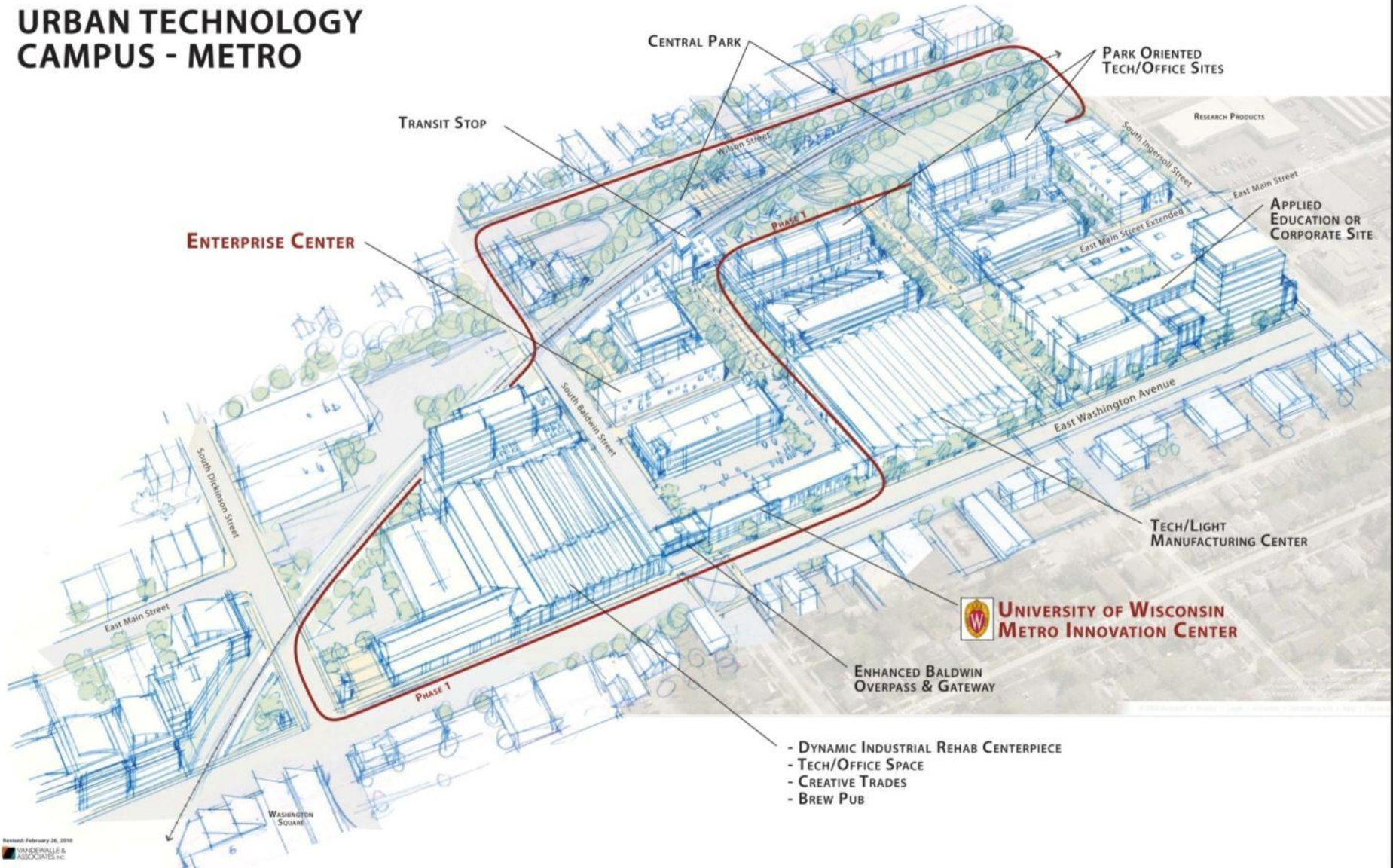


CAPITOL EAST

District

Implementation Vision and Strategies

URBAN TECHNOLOGY CAMPUS - METRO



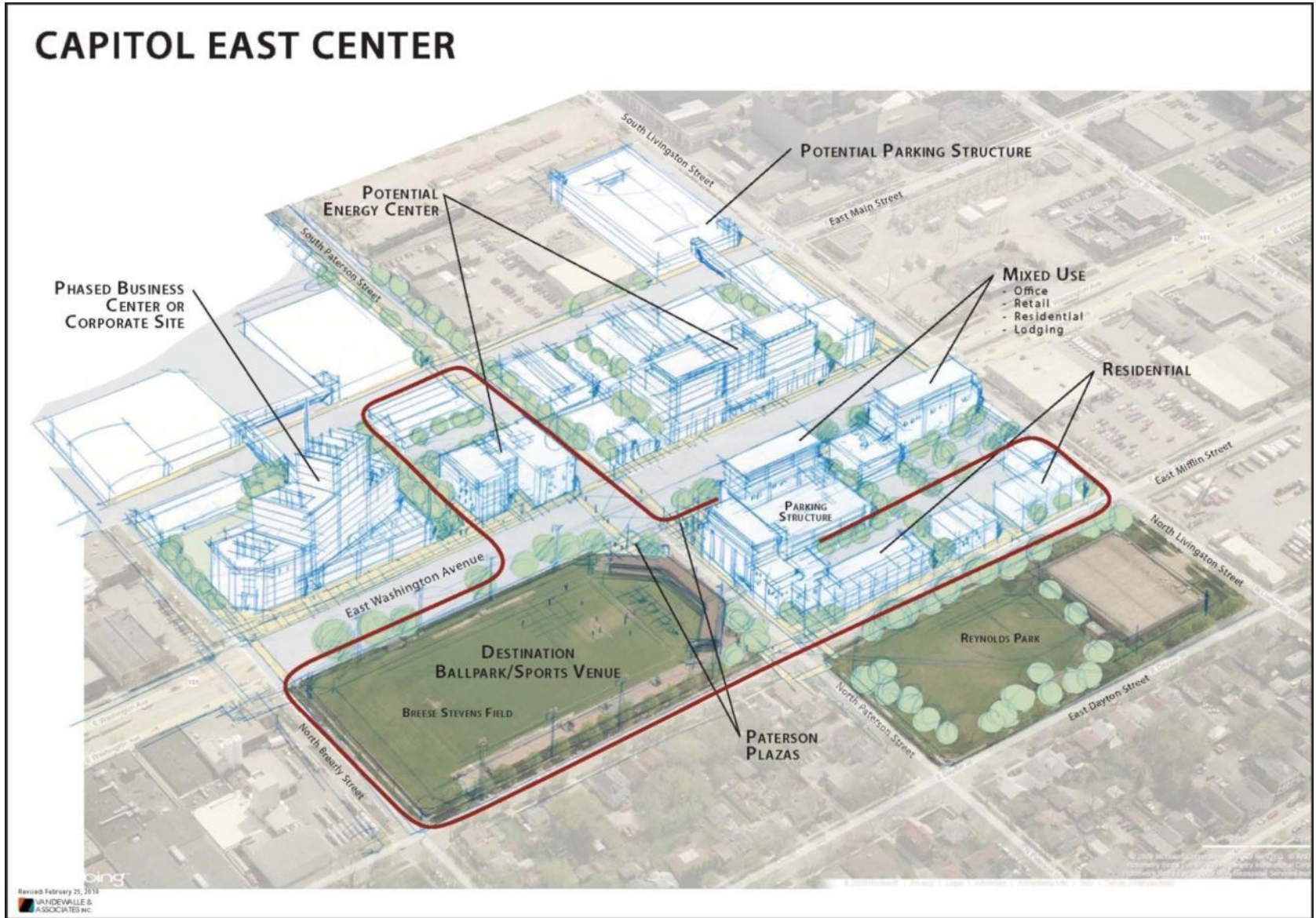


CAPITOL EAST

District

Implementation Vision and Strategies

CAPITOL EAST CENTER

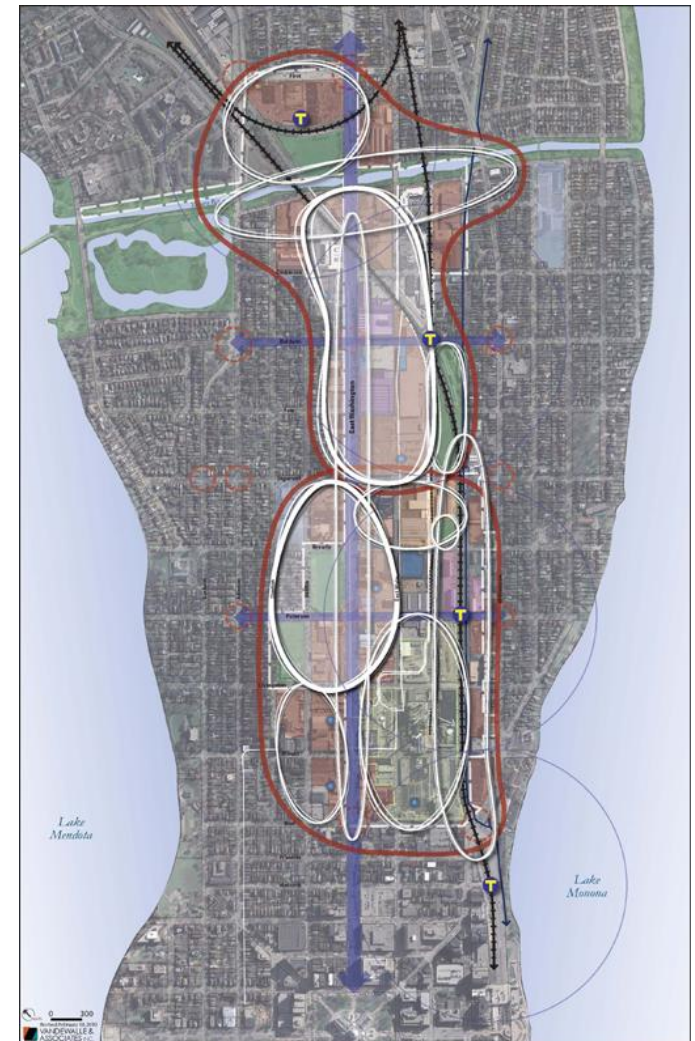




***An example of the potential...
Block 89 has an assessed
value of \$59M.***

***The entire area within TID 36
which encompasses most of
the CapEast District's
commercial and industrial
space is today assessed at...
\$59M.***

***We could put two Block 89
sized footprints on each block
in the corridor!***





CAPITOL EAST

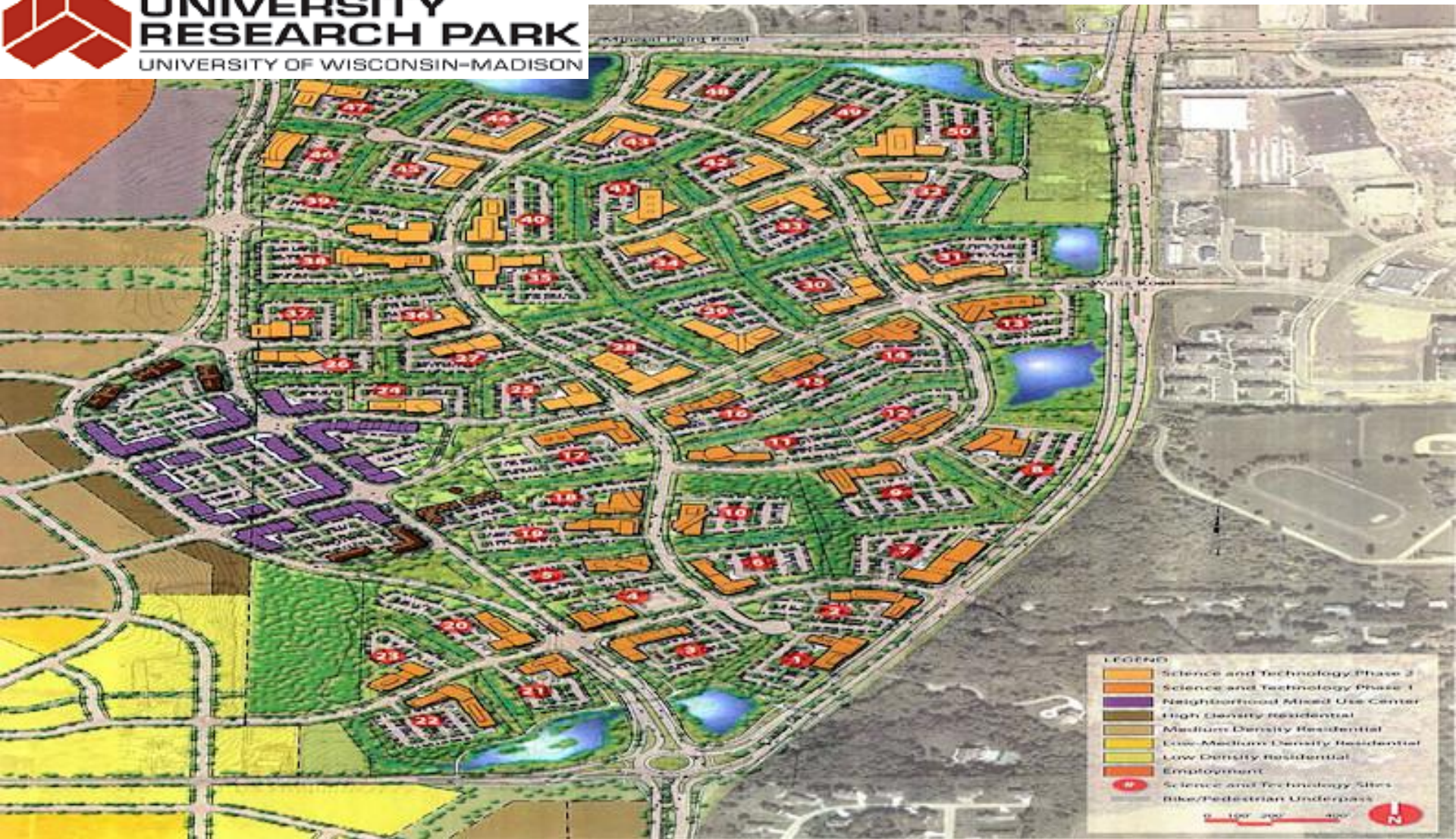
District





UNIVERSITY RESEARCH PARK

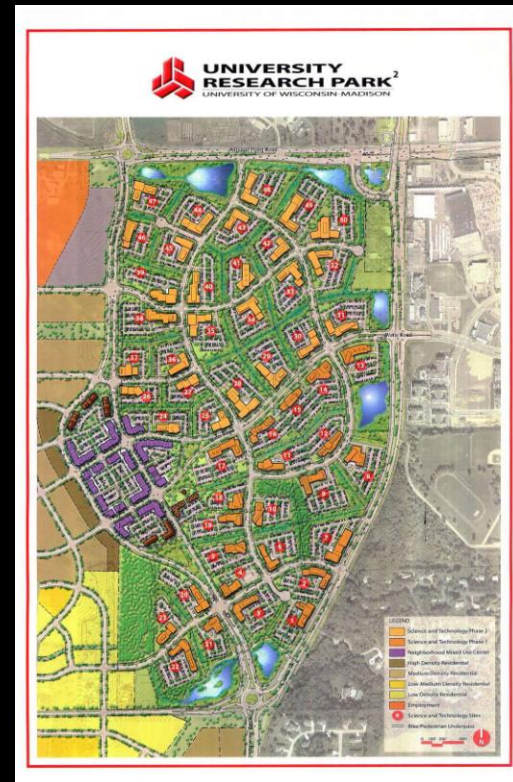
UNIVERSITY OF WISCONSIN-MADISON





COMING 2011: University Research Park²

- 54 building sites on 270 additional acres
- Increase tenant count to well over 200
- 10,000-15,000 additional employees

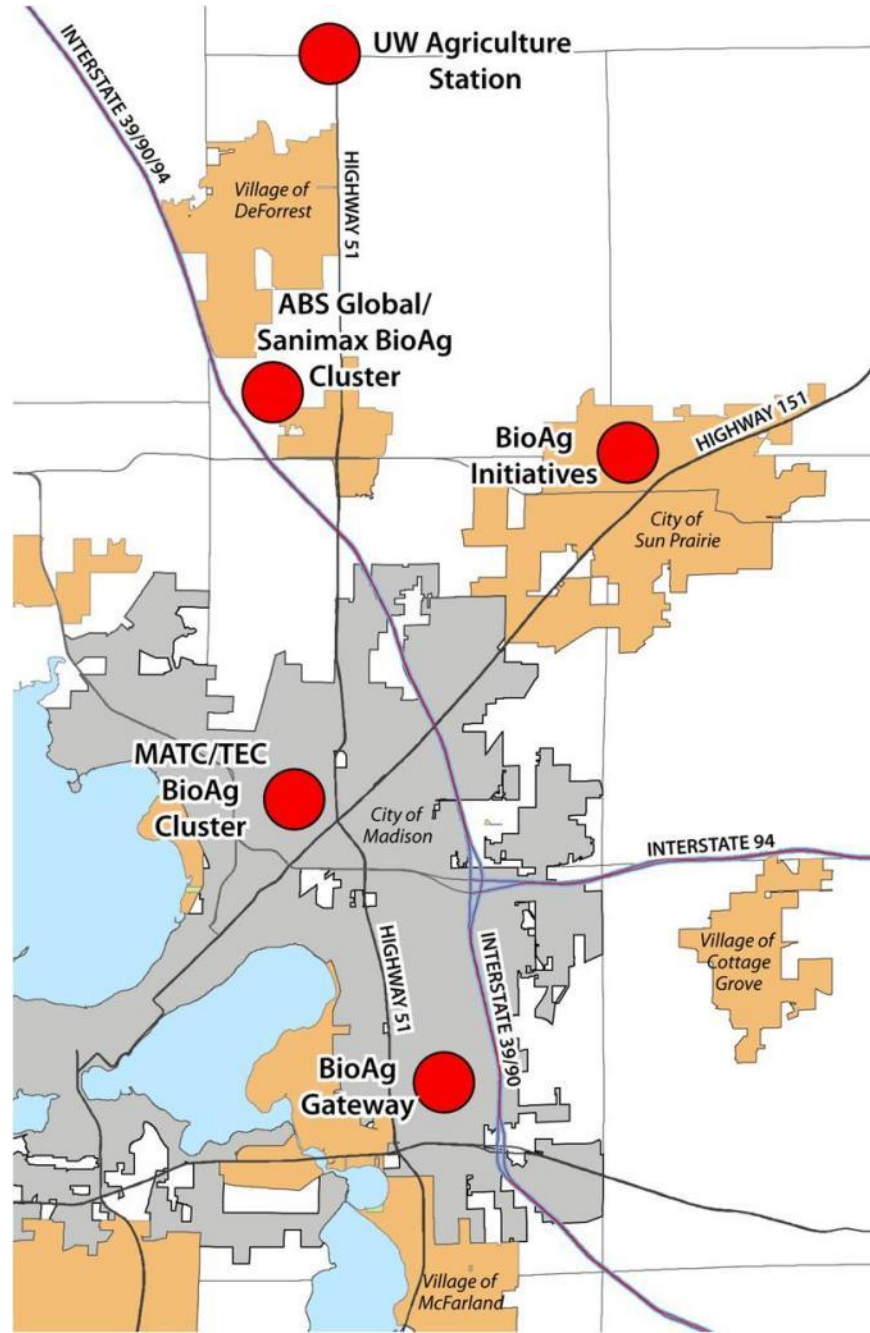




BioAG

G A T E W A Y

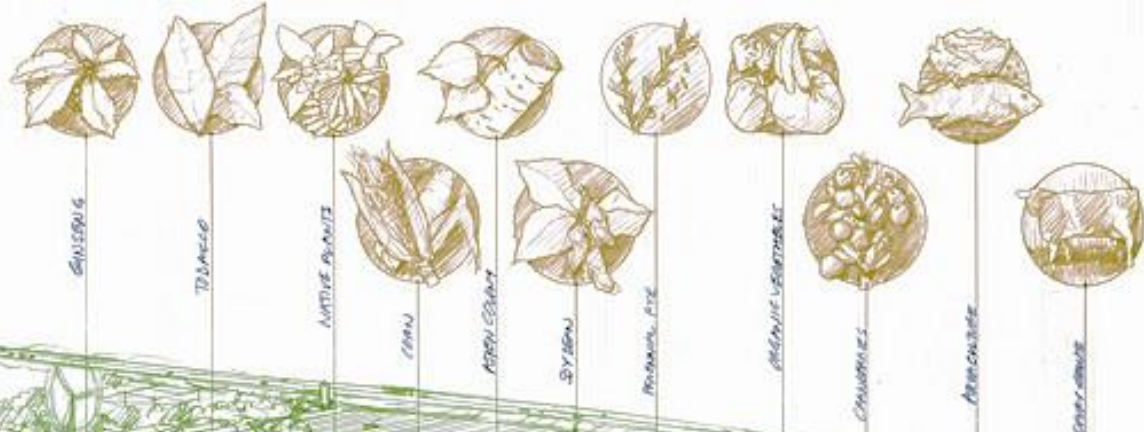
WHERE SCIENCE GROWS





Wisconsin Bio-Ag Gateway

Agricultural Showcase
Discovery Center
Midwest Biolink Incubator



BIOMASS CONVERSION



DIGESTER



WIND FARM



PELLETIZER



WATER MANAGEMENT



MANURE HANDLING

Technologies & Practices



BIO LINK

THE MIDWEST BIOLINK COMMERCIALIZATION & BUSINESS CENTER

Proposal for
Architectural/
Engineering
Services, and
Concept Design



BioAG
GATEWAY
WHERE SCIENCE GROWS

MADISON BIOLINK INCUBATOR
RESPONSE TO RFP FOR ARCHITECTURAL
SERVICES
MADISON, MARCH 21, 2012

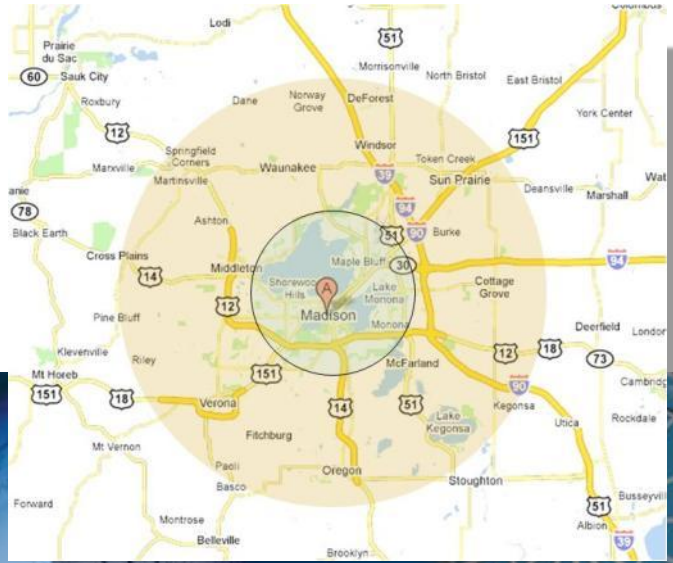


ARCHITECTURE
ENGINEERING
INTERIOR DESIGN
5111 WAREHOUSING PARKWAY
MADISON, WI 53718
WWW.STRANG-INC.COM
(608) 274-4000



What can you do?

Activate and leverage your regional/national/international networks to identify potential clients/businesses that gain a comparative advantage from locating operations in Madison.



Madison... The creative hub of an innovation region.

