

## DRAFT

To: Mayor Soglin  
From: Sustainable Madison Committee  
Re: Incentivizing Sustainable Practices through Use of TIF Financing

The Sustainable Madison Committee (SMC) has prepared this report at the request of the Mayor's Office for guidance on how to better use the City's TIF authority to promote sustainable building practices. Use of TIF financing to promote such practices is consistent with the City's Sustainability Plan,<sup>1</sup> as well as the City's newly revised policy statement on TIF "Goals, Objectives and Processes," which includes the following TIF Goals:

- G. Funding public improvements that enhance development potential, improve the City's infrastructure, enhance transportation options, and improve the quality and livability of neighborhoods
- H. Promoting superior design, building materials, and sustainability features in the built environment.

SMC recognizes that the City's use of TIF to enhance the built environment and the livability of its communities and neighborhoods is intended to be equitable, competitive and flexible. Application of TIF evaluation and award procedures to reward features of sustainable design and practice therefore likely will vary on a project-by-basis.

By "features of sustainable design and practice" SMC means aspects of construction and planning that function to reduce stormwater outflow and increase infiltration; enhance forms of alternative transportation; maximize energy conservation or renewable energy production; minimize water use; enhance the quality of, and access to local natural features.

A preliminary list of sustainability features that can and should be rewarded through the TIF evaluation process would include such features as:

- Rain gardens, green roofing, bioswales and other stormwater best management practices
- Street plantings composed of native vegetation
- Sustainable parking features/structured parking (e.g. surface parking lot islands that allow rain gardens, or green roofs/solar canopies on top level of parking structures)
- Bike lanes and bike infrastructure (e.g. bike stations, bike cages, B-cycle stations, lighted bike trails)
- "Pocket parks"<sup>2</sup>
- Transit-related build-out, including bus routes

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<sup>1</sup> See, e.g., Madison Sustainability Plan, "Planning & Design" Goal 3: Support Sustainable Infrastructure and Buildings (Actions include requiring minimum LEED silver or equivalent third-party certification for all construction supported by public funds, including TIF, and rewriting current City TIF policies to allow consideration of TIF subsidy increase about 50% based on sustainability metrics.

<sup>2</sup> "Pocket parks" are small parks accessible to the general public that provide green space, a place to sit outdoors or a small playground.

- Sidewalks connecting TIDs to local neighborhoods
- On-site renewable energy resources (e.g. solar panels) or energy efficiency facilities
- Charging stations for EV vehicles

In addition, SMC would recommend point enhancements for construction projects that can demonstrate attainment of LEEDS or other 3rd party building and/or neighborhood certification, or that incorporate energy benchmarking requirements (even for buildings less than 15,000 feet) in a manner consistent with the City's new energy benchmarking ordinance.