



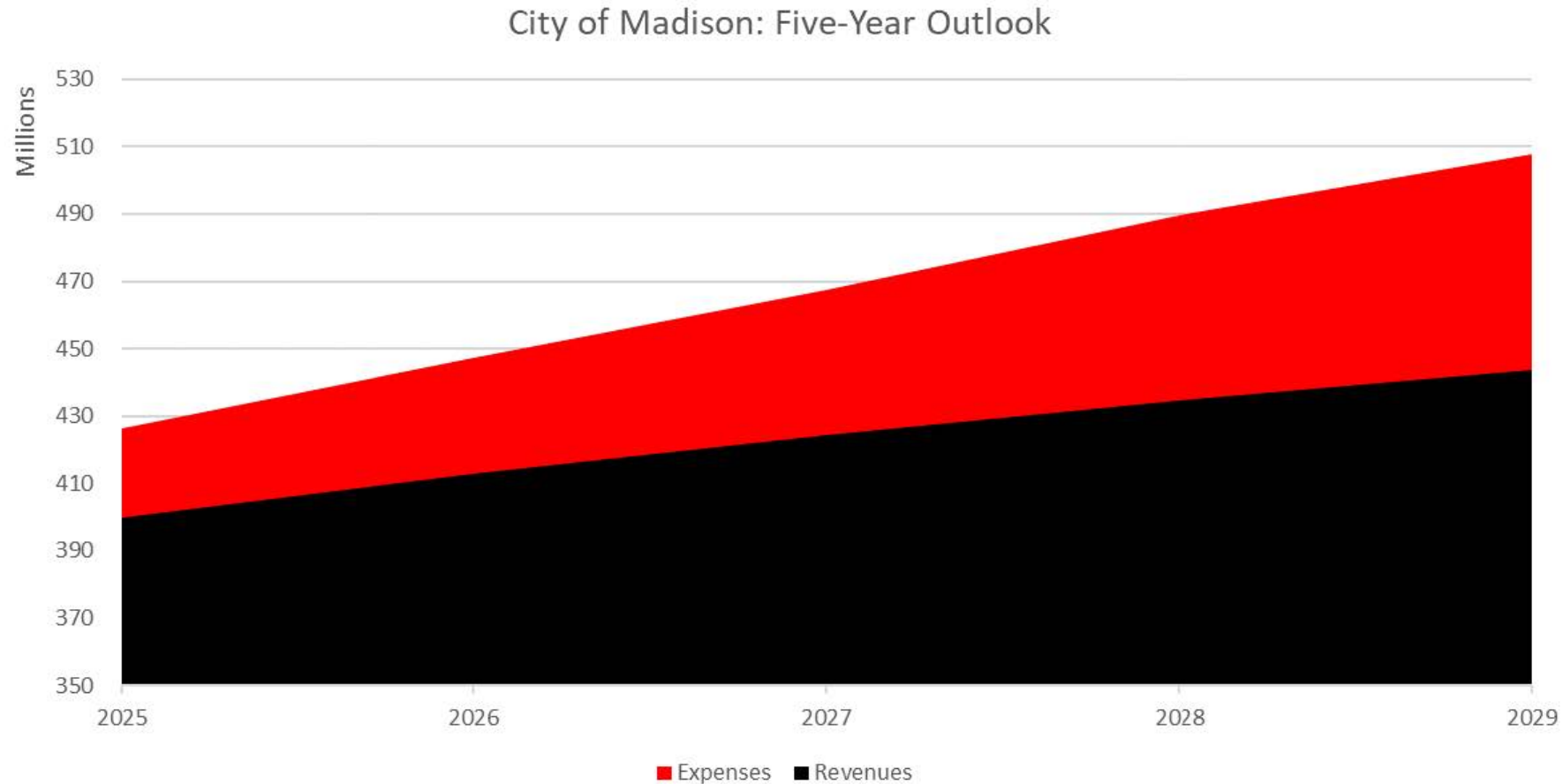
Spring Harbor Neighborhood Association

District 19 Alder Guequierre
Review of Top City Issues and Project

Topics

- Budget deficit
- Housing
- Climate change
- Major public projects
- Major private projects
- Q&A

Operating Fund Deficit: \$27M growing to \$60M by 2029



Multi-year problem: A \$27M referendum or expense reduction doesn't solve in future years

Current estimates per Finance and 2025 \$27M referendum

Year	Expense	Revenue	Deficit
2025	\$ 423	\$ 423	\$ -
2026	\$ 443	\$ 436	\$ (7)
2027	\$ 464	\$ 450	\$ (14)
2028	\$ 485	\$ 464	\$ (21)
2029	\$ 508	\$ 479	\$ (29)

Current estimates per Finance and 2025 \$27m expense reduction

Year	Expense	Revenue	Deficit
2025	\$ 396	\$ 396	\$ -
2026	\$ 415	\$ 408	\$ (6)
2027	\$ 434	\$ 421	\$ (13)
2028	\$ 454	\$ 434	\$ (20)
2029	\$ 476	\$ 448	\$ (28)

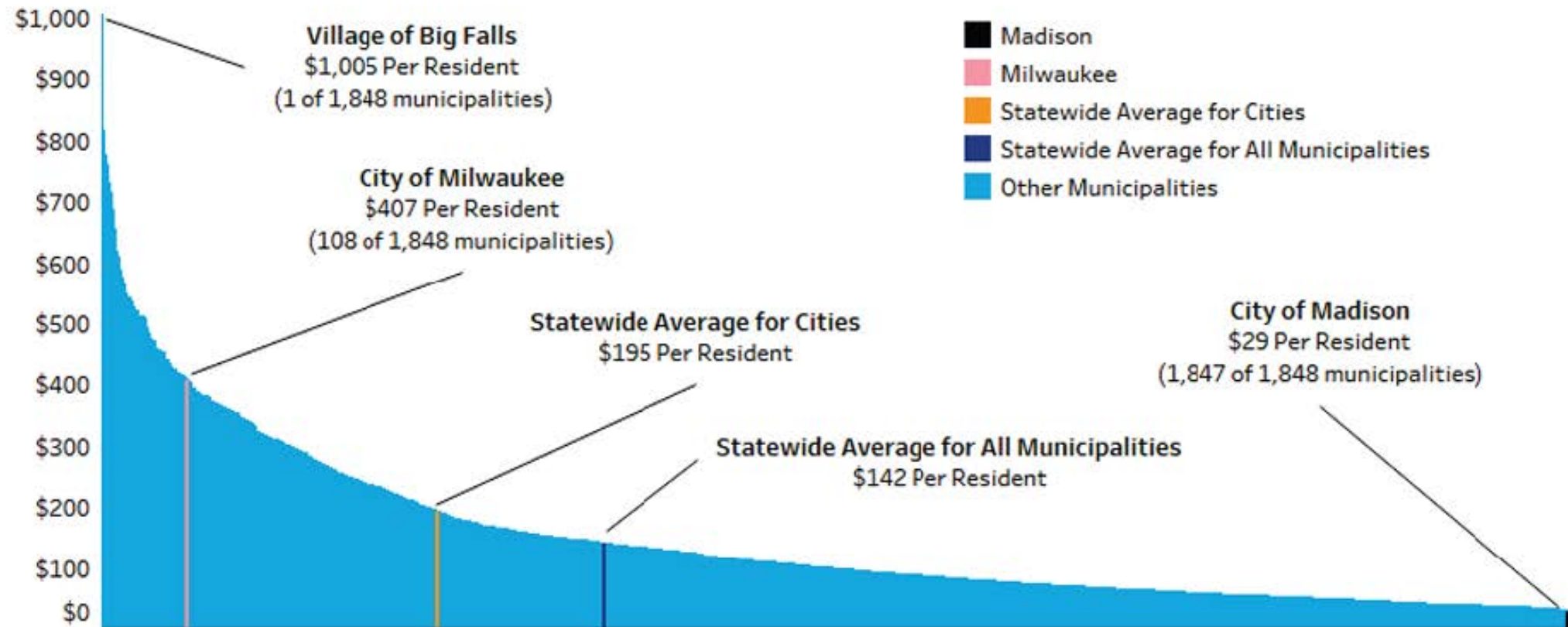
Statewide Problem: Schools, Cities, Counties

- For the Winter Primary and Spring Election
 - 96 school district referenda
 - 10 city and county referenda
- Of the 10 city and county referenda
 - 8 were in districts that voted Republican in the 2020 election
 - 2 were in districts that voted Democrat in the 2020 election
- City of Middleton referendum in 2023
- Fitchburg and Madison Schools in 2024

Plus: Madison Gets Exceptionally Low Revenue Share

Figure 11: Madison Now Second Lowest Among 1,848 Wisconsin Municipalities in Key Form of State Aid

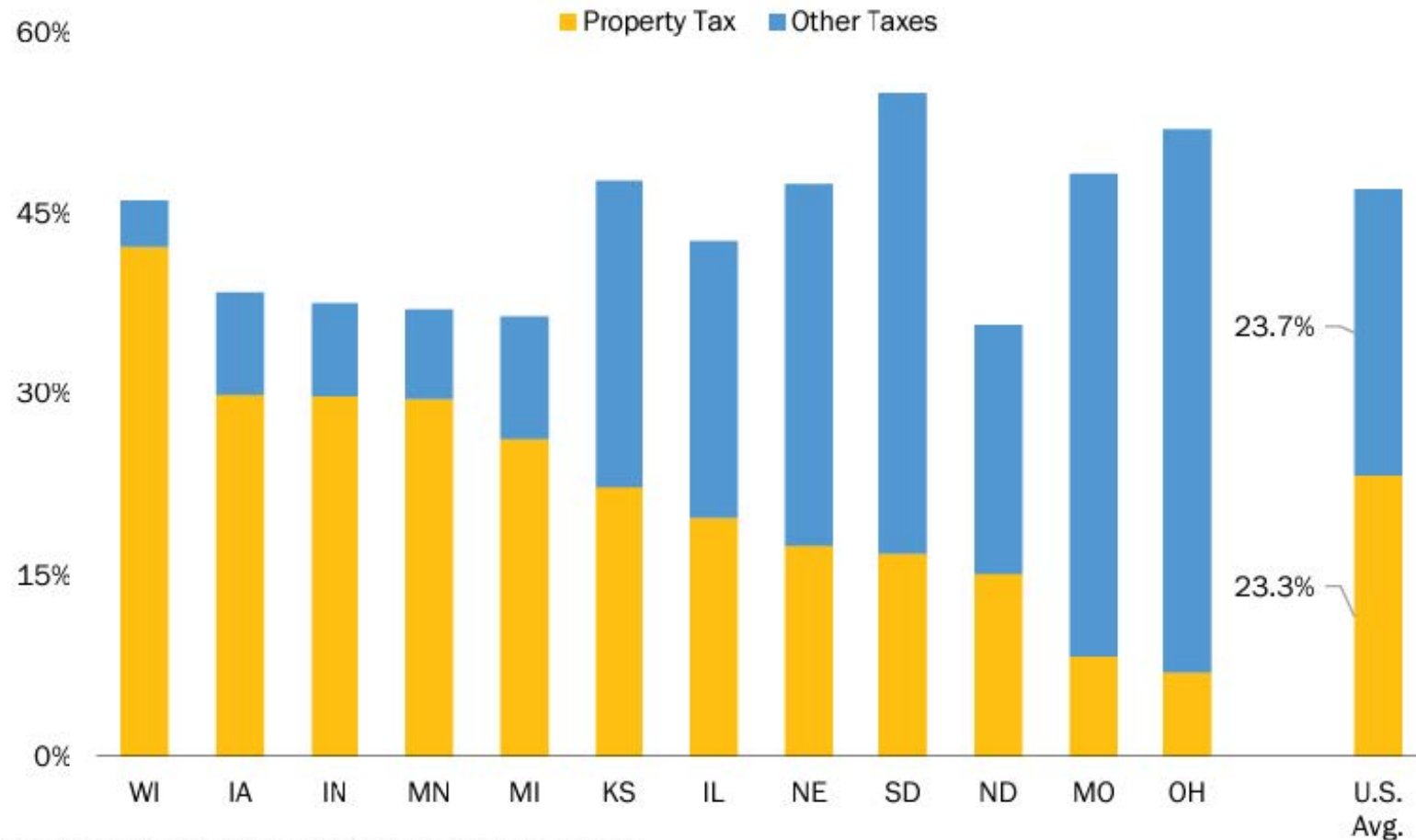
Total state per capita county and municipal aid following the legislation known as Act 12, by municipality



Sources: Wisconsin Department of Administration, Legislative Fiscal Bureau, and WPF calculations

Long-term Solution Requires State Action

Figure 1: Wisconsin Relies Most on Property Tax in Midwest
Property Tax & Other Taxes as Share of Municipal Revenue, 2015



Sources: Willamette University, U.S. Census Bureau

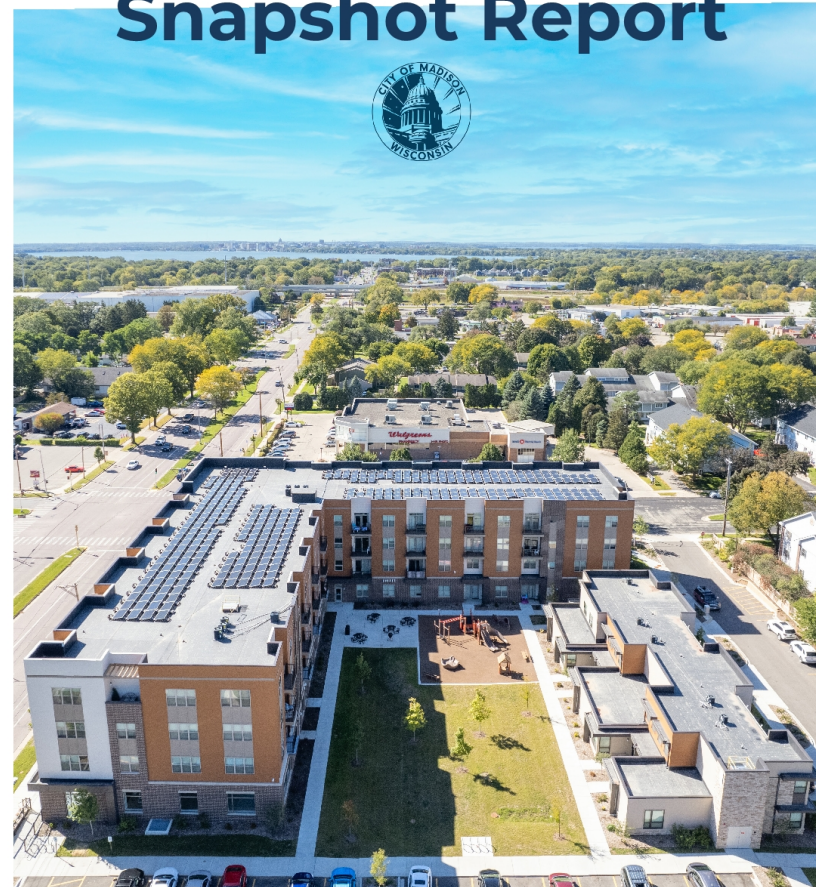
Madison's 2025 Budget Planning Process

- Resolution approved 4/16 giving direction to staff
 - One budget assuming a successful November referendum for \$ TBD
 - Another budget balanced solely with reductions in expenses
 - Staff to report on what services must be curtailed or eliminated in order to balance with expense reductions
- Resolution also directs staff to develop a multi-year plan
 - This Council can't bind a future Council on a specific budget
 - But staff can continue to prepare for the future and provide some continuity to future Councils
- Robust messaging and public engagement

Madison Housing Strategy

2023

Housing Snapshot Report



Population Growth 2011-2021

- Population +14.5%, (roughly 30,000 people)
- Households +17.9% (households getting smaller)
- Renter Households +27.0%
- Owner Households +9.3%
- Large decreases in households earning less than \$50,000/year
- Large increases in households earning more than \$100,000/year
- All of these trends accelerated 2019-2023

Housing Production 2011-2023

- Needed 1,500 – 1,800 housing units per year and accelerating
- It didn't. Great Recession a major culprit.
- 3,600 permits issued 2021, then falling back below 2,400
- A big problem: single family homes (only 131 permits in 2022) and 1-4 unit buildings (only 48 permits issued in 2022).
- All leading to the current shortage.
- The Greater Madison Chamber of Commerce in an April 11 keynote described housing as Madison and Dane County's biggest problem.

Estimated Population Growth to 2050

- +115,000 people
- +59,000 households
- Requiring 2,400 to 2,500 new housing units per year

Features of the Housing Shortage

- Most critical shortage = housing for those with 50% or less of Area Median Income (AMI)
- Another shortage = housing for the wealthiest, who “buy or rent down”
- Which creates pressure for “gentrification”, that is the loss of what is called “naturally occurring affordable housing”

Limits on City and County Solutions

- City and county capacity limited
- From 2016 to 2022 city financing was used to build 2,134 rental units, 17% of the total.
- State regulations constrain action
- Federal Reserve uses interest rates to control inflation – which reduces production of housing.
- FNMA, FHLMC, VA, and FHA have a powerful influence on the economics of different kinds of housing, with major constraints on “missing middle” since Great Recession.
- Private enterprise builds most housing – which can be incentivized, regulated, or cajoled but not forced to build at all or build specific kinds of housing.

Headwinds to Housing Development

- 2008 Great Recession over-reaction – federal legislation and regulatory actions generally reduced single-family home and condominium development.
- Litigation trends have also dampened condominium development
- Above 2 items have particularly constrained the so-called “missing middle” – single-family and 1-to-4 unit buildings, especially condos.
- Impact of push to reduce carbon dioxide generation has had some impact on cost and design.
- Development gauntlet for which Madison is famous.
- Resident resistance to change.
- Complexity of financing truly affordable housing.

Madison Solutions #1

- Allowing greater density in some areas, especially along major transit routes, and providing incentives for including affordable units.
- Emphasizing housing in every opportunity for re-purposing available property.
- Cost of and time for bringing agricultural and un-developed property into development has become excruciatingly costly and lengthy – placing City emphasis on previously developed areas and rental housing.
- City has banked a little land and gradually built up an affordable housing fund, which must be put to use with extreme stinginess.

Madison Solutions #2

- City also one of the nation's experts in utilizing TIF financing effectively, with an excellent track record in achieving increased valuations that meet or exceed the targets and payback period.
- Use of these tools is often the key to the development of truly affordable housing, which often have multiple layers of financing for the developer to move forward.
- For example, the redevelopment of the “Uno's” property on Mineral Point had seven layers.

Madison Solutions #3

- Updating area plans, a 12-year cycle, now identifying areas for greater density, which can be controversial.
- For example, the Odana Area Plan, adopted in 2022, identified areas for denser housing and is now attracting developers to do that.
- Housing Strategy Committee looking for additional tools, especially “missing middle.”

Climate Change

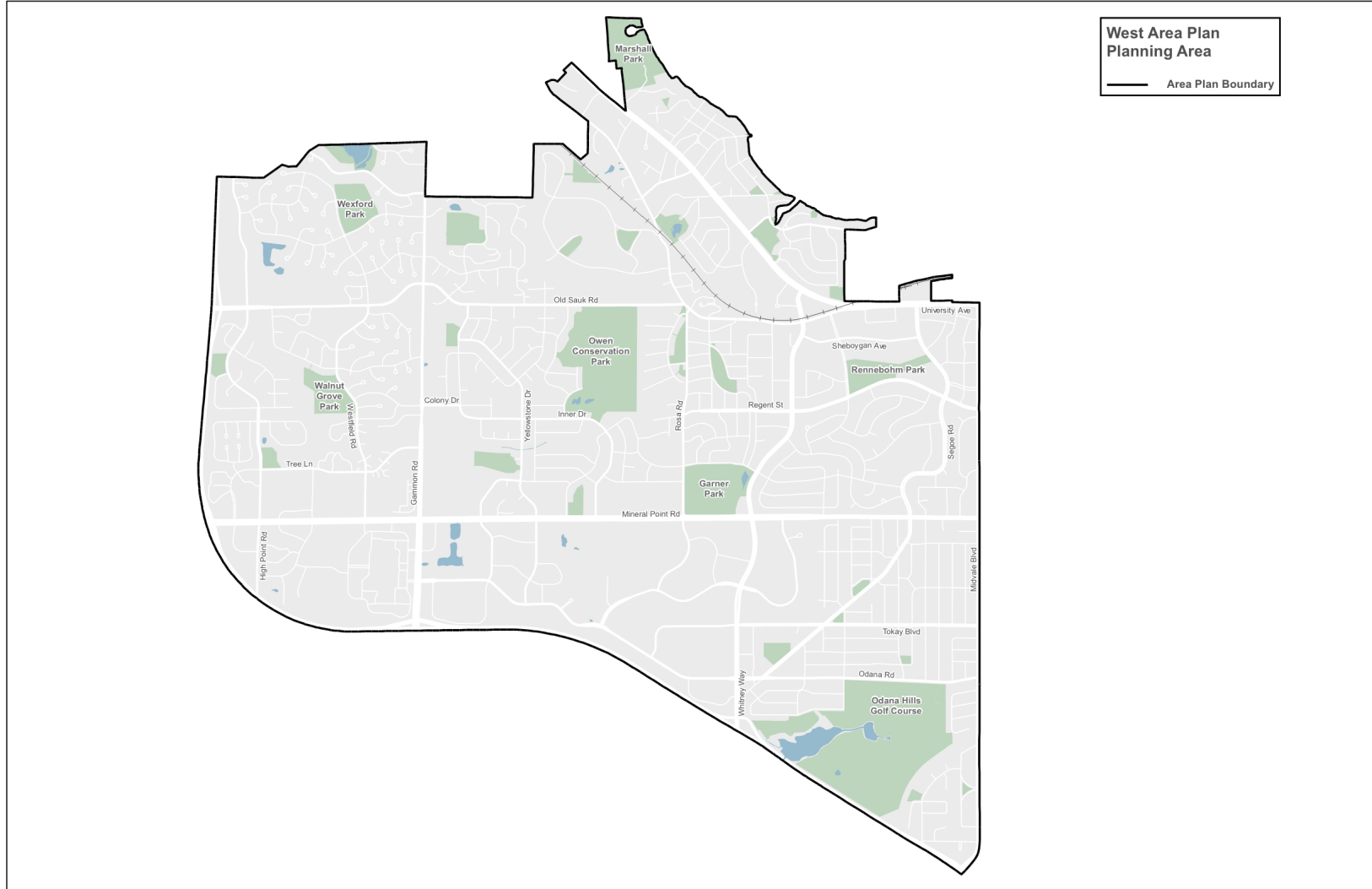
MADISON SUSTAINABILITY PLAN

SUSTAINABLE MADISON COMMITTEE (SMC) | MEETING #1 - 07.24.2023

Updating 2011 Sustainability Plan

- Sustainable Madison Committee charged with proposing an updated sustainability plan in 2024.
- Covers many aspects of sustainability with an emphasis on reducing greenhouse gasses (carbon dioxide and methane).
- Unlike 2011, goals limited to those that Madison can impact.
- Committee also developing a framework for accountability and publishing metrics on progress.
- Interesting discussions on how to analyze situations when sustainability goals collide.

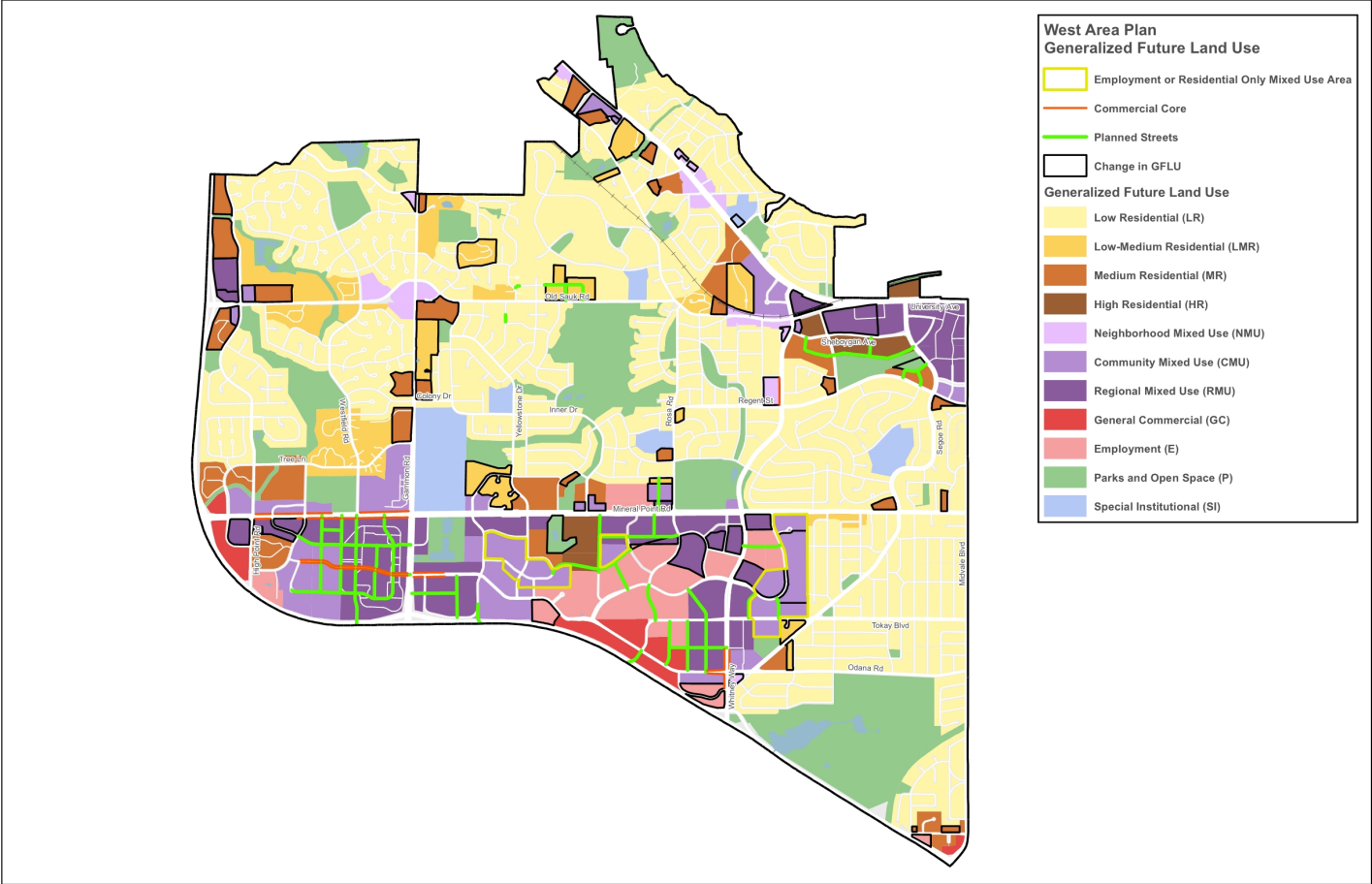
West Area Plan



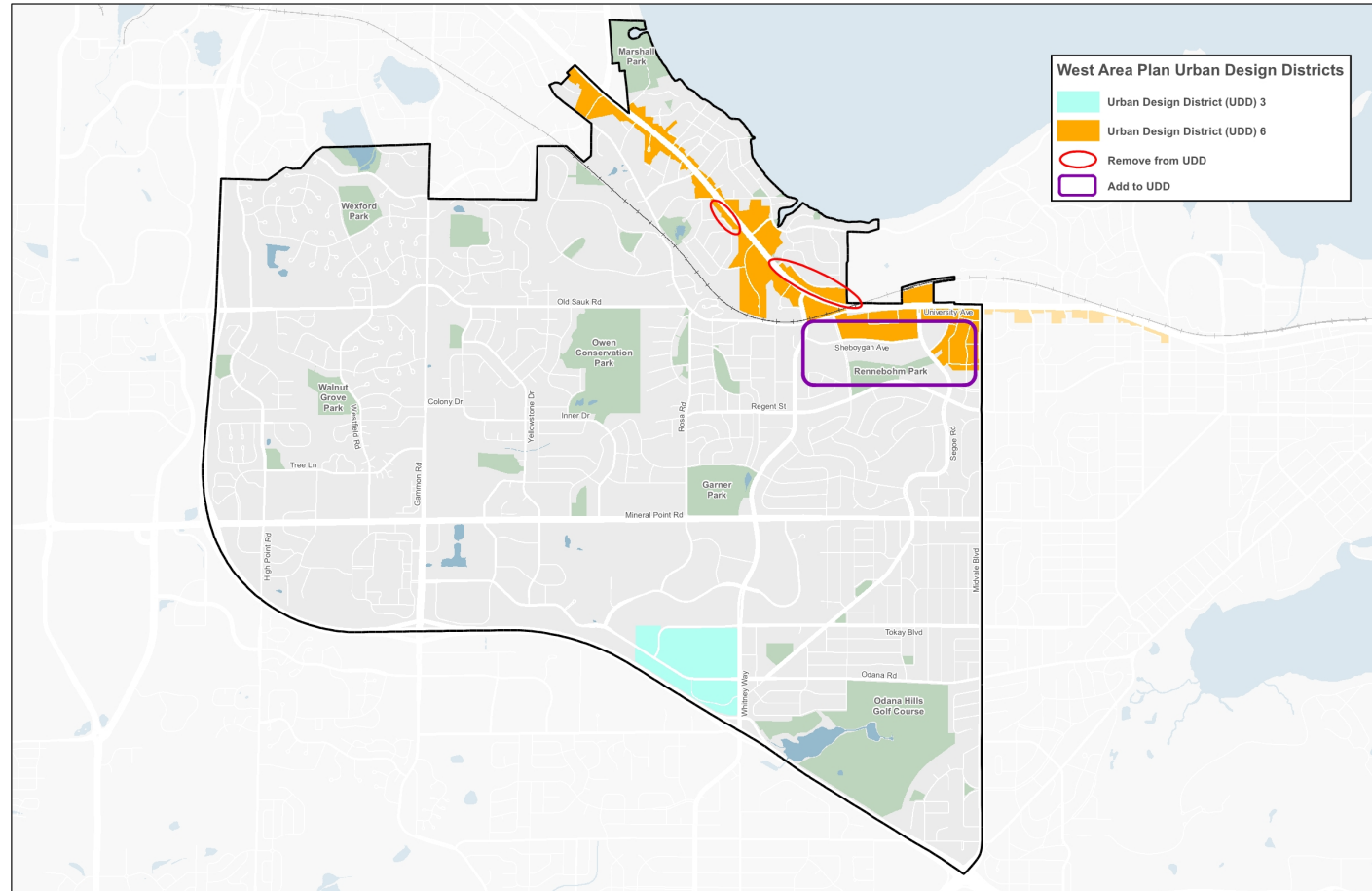
West Area Plan – What is It?

- Part of a 10-year cycle of creating area plans that coincide with Madison Comprehensive Plan.
- West and Northeast Plans scheduled for 2023-24 completion.
- Plans cover
 - Generalized Future Land Use (GFLU) and Urban Design Districts (UDD),
 - Some suggested zoning changes,
 - Proposed streets,
 - Walking and bike paths,
 - Parks,
 - Watersheds and stormwater resilience,
- Mostly tame, but a few areas sparking controversy.

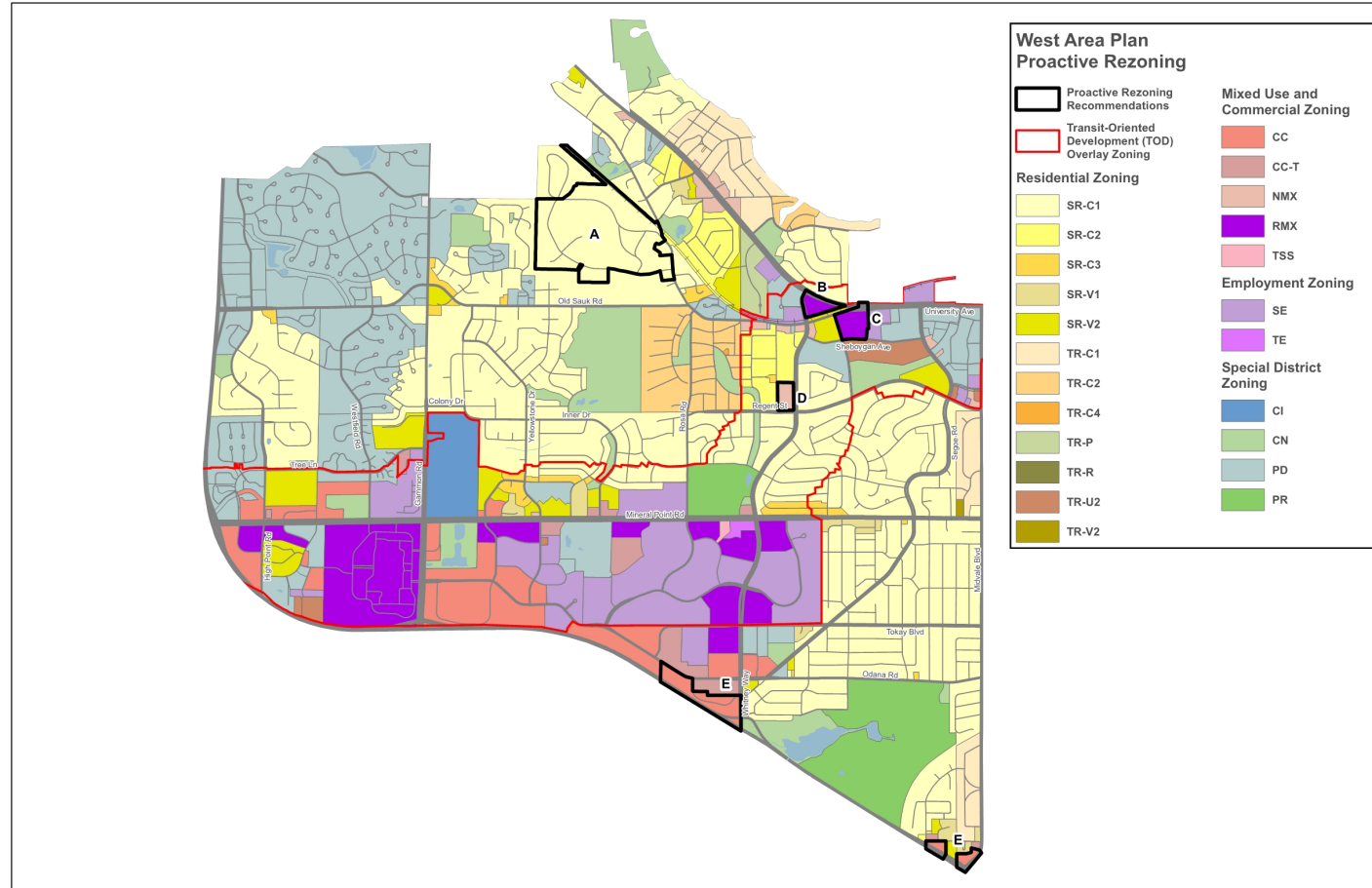
GFLU Changes Affect 10% of Area Land Use Does Not Equal Zoning



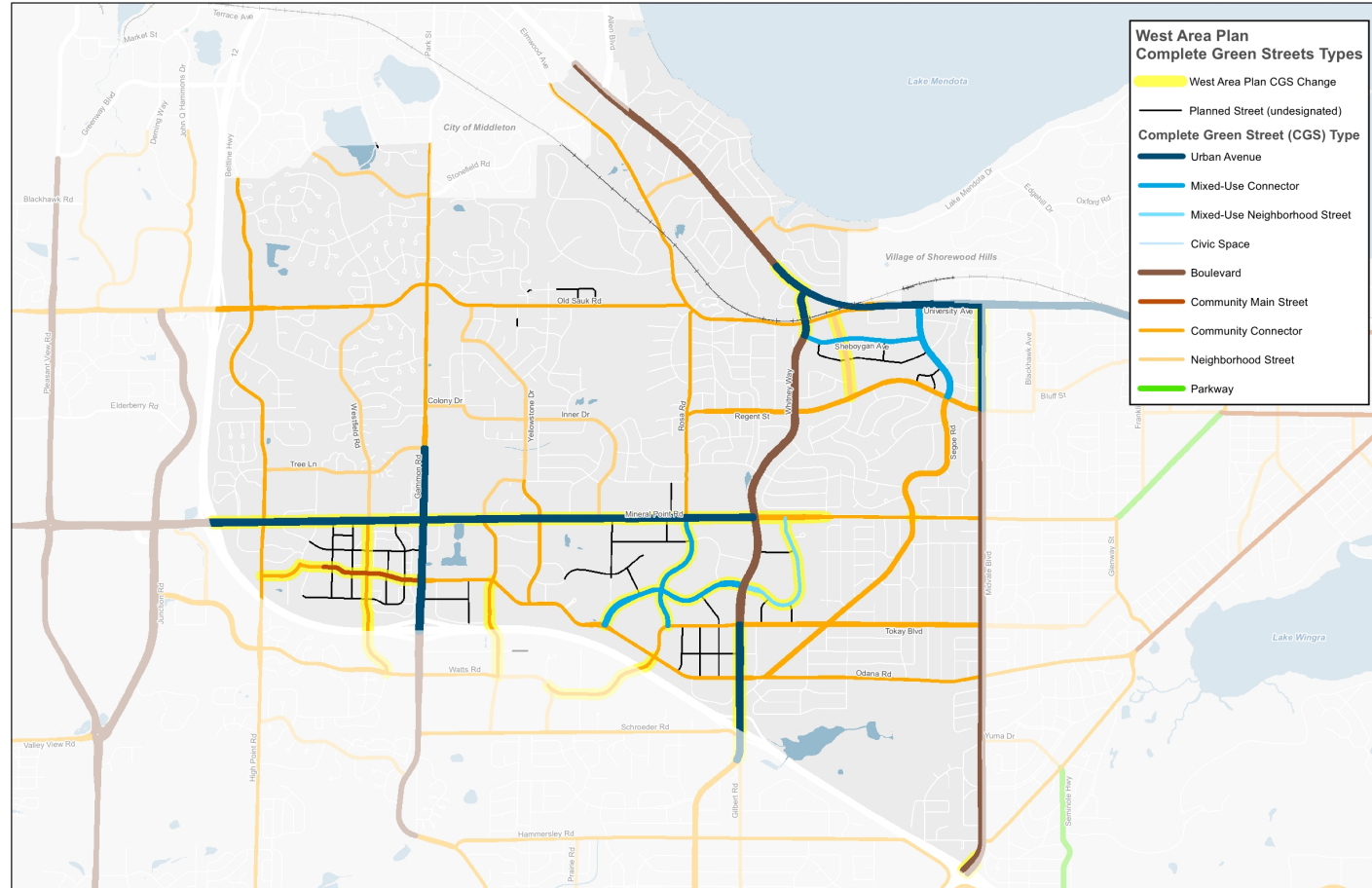
Some Proposed Changes to UDD 3 and 6



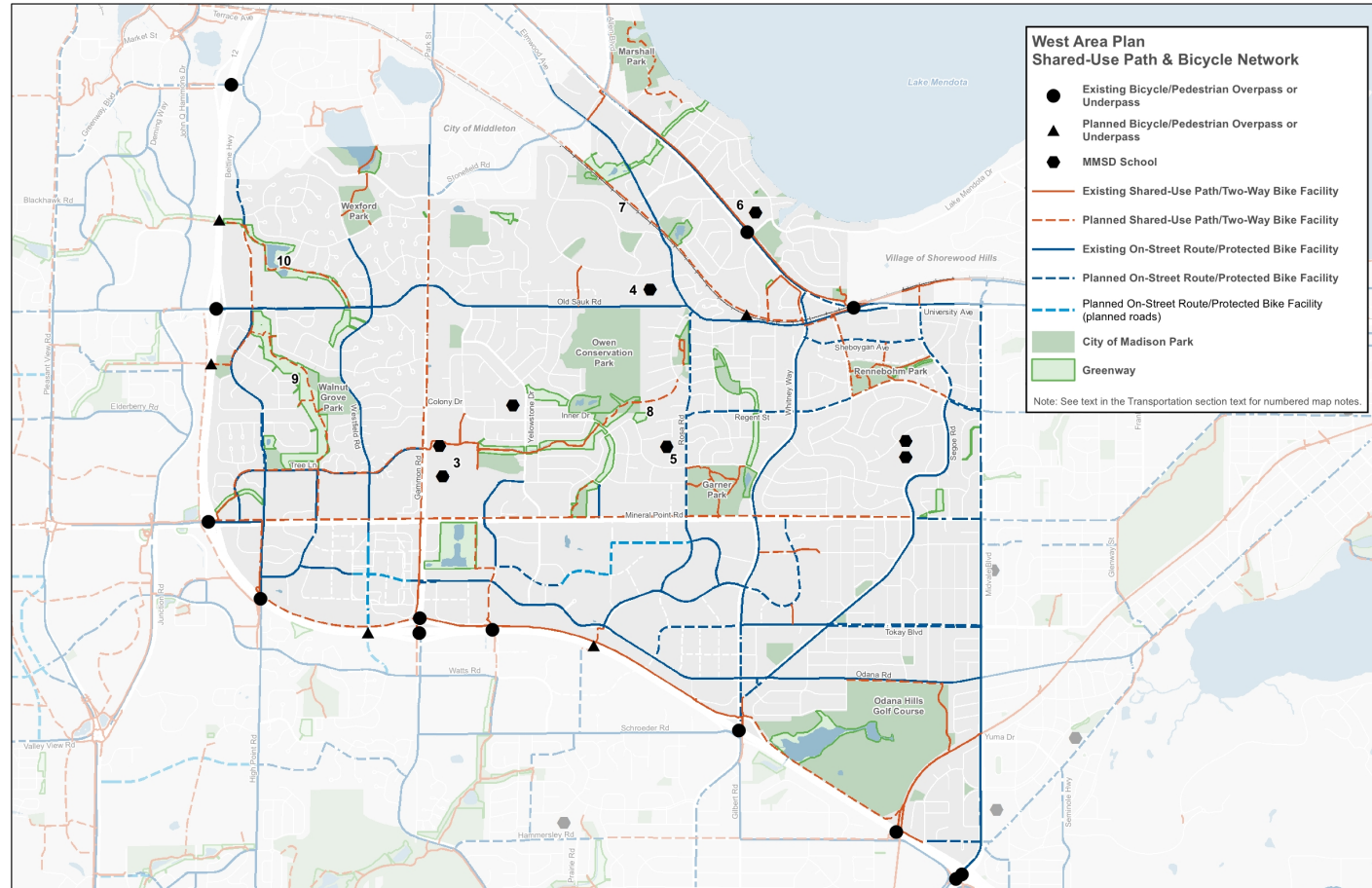
Proposed “Pro-Active” Rezoning of 5 Areas



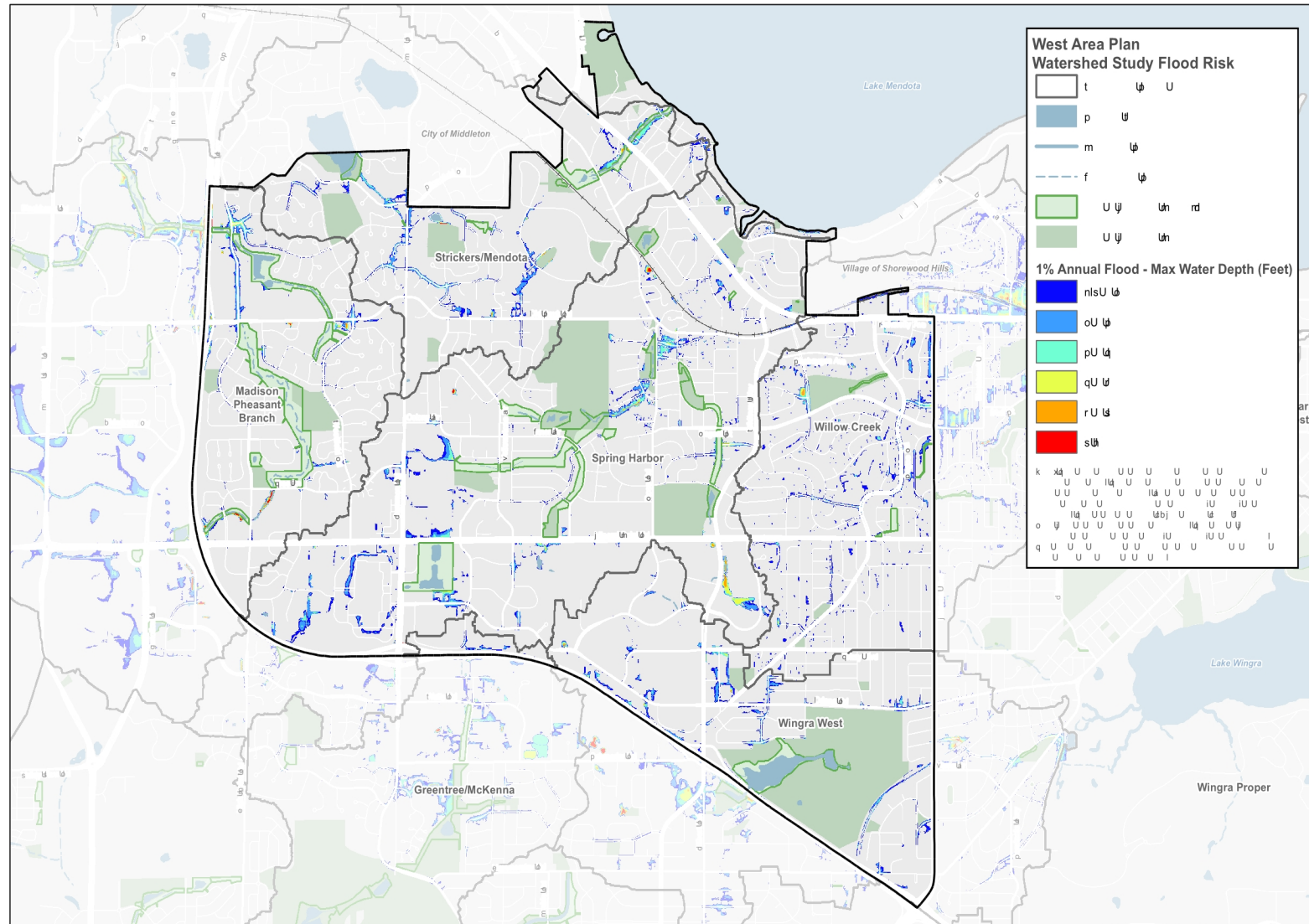
Street Changes: Extending Appalachian and Unblocking Yosemite and Middleton



Walking and Bike Paths: Sauk Creek, Wexford Pond, and Others



Watersheds and Stormwater Resilience



District 19 Major Public Projects

- Lake Mendota Drive Final Phase
- Mendota – Grassman Greenway Reconstruction
- Wexford Pond Dredging
- Sidewalk Repair Cycle (Districts 11 and 19)
- Pheasant Branch Greenway Reconstruction (West of Beltline, affects District 19)
- Sauk Creek Greenway Reconstruction (District 9, Affects 19)
- BRT

Mendota-Grassman Greenway

- Camelot and University culvert work this Spring
- Final channel grading after culvert work
- Native seeding under matting will germinate
- Tree planting beginning May
- Project substantially complete by early Fall
- Restoration contractor on-site through 2025 (native plant support)
- Informational signage

District 19 Major Private Sector Projects

- University Row – UW Health Digestive Health Center expansion
 - New plan necessitated by unexpected ground water conditions
 - Parking now above ground
 - Neighborhood meeting soon
- Stone House Development project at 6610-6706 Old Sauk Rd
 - Large parcel with old barn and several occupied buildings
 - 130+ market rate units
 - Substantial neighborhood opposition
 - Stormwater and traffic concerns

District 19 Major Private Sector Projects

- Stone House Development Project at 6101 Mineral Point Rd
 - On land leased from University Research Park
 - Multi-story apartment project with some subsidized units
 - Just east of Oakwood retirement center
 - The type of project encouraged by Odana Area Plan

Q&A



Thank You