

CITY OF MADISON



2025

EXECUTIVE SUMMARY
**EXECUTIVE CAPITAL BUDGET &
CAPITAL IMPROVEMENT PLAN**

Satya Rhodes-Conway, Mayor

2025 Capital Budget & Capital Improvement Plan

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2025 Executive Capital Budget & Capital Improvement Plan

Today I present my 2025 Executive Capital Budget and 6-Year Capital Improvement Plan (CIP). Together these plans detail my proposal for funding our streets, parks, bikeways, public buildings, water and stormwater systems, and other public assets. These investments create the safe and healthy neighborhoods we live in, maintain our environmental quality, and underpin the mobility and economic vitality of our city.

The capital budget is one major piece of the City's budget. Next month, I'll introduce my 2025 Executive Operating Budget, which focuses on services, staffing and programs. Both of these budgets will be considered first by the Finance Committee and then by the Madison Common Council, with final adoption in November.

Madison is a vibrant, growing city that has many assets: a diverse and growing population, a world class university, and employers that attract talent from across the world. Supporting our growing city requires providing strong infrastructure *and* services. Over the past eight months, we have been engaging with the public and Common Council on the structural deficit facing the City's operating budget due to State laws that severely – and intentionally – limit funding to Madison. As we begin our budget deliberations, it is important to remember that the city's budget challenges are related to the operating budget. The capital budget is not subject to the same strict levy limits as the operating budget, which allows us to invest in critical infrastructure to maintain our safe and healthy neighborhoods. This budget also makes smart investments that lower taxpayer costs in the long run.

The City carefully manages the capital budget to ensure debt service on our borrowing is low, and we have a strong track record of sound budget management. Madison's debt service as a percentage of the total budget has remained steady over the past few years, and is slightly below 2019 levels. General Obligation borrowing for 2025 is proposed to be \$12.4 million lower than in 2024, and reduced by \$5.3 million for the six-year span of the Capital Improvement Program. Because of our strong fiscal management and growing local economy, Madison has a Aaa (triple-A) bond rating. This ensures we borrow money at the lowest possible interest costs. We take our responsibility for sound budgeting seriously and it shows year after year.

While we strive to meet all our necessary infrastructure needs, we always have an eye on minimizing the impact to the taxpayer's pocketbook and to the fiscal health of the City. We make hard choices about what to prioritize, knowing we cannot accomplish everything. This year, my Executive Budget is \$24 million lower than what agencies requested. We look to state and federal grant funding at every opportunity, and we have been successful at that. Since 2020, my administration has secured \$563.9 million in federal and state funding. This not only reduces the impact on taxpayers, but also injects more money into our local economy. In addition, we leverage funds from our tax increment financing districts wherever possible.

At every turn, I have looked for ways our capital projects can increase operational efficiencies over time, while recognizing that we must continue to expand services as our population grows. Examples of this in the Capital Improvement Program include the following:

- We will construct a South Point Road Public Works Facility on the far west side to manage growth, better serve the rapidly growing west side of the City, and dramatically reduce driving time and vehicle trips to and from the current centrally-located facility. Garbage trucks, snow plows, lawn mowers, street sweepers, and other vehicles that serve our west side neighborhoods will soon be located on the west side of Madison, saving hundreds of hours in drive time and roughly half a million dollars in fuel costs each year. It will also provide storage space for vehicles as our city grows.
- We are planning to co-locate the South District Police Station with a property and evidence storage facility to meet our growing storage needs, better serve the public, and allow for operational and staffing efficiencies by centralizing work that currently takes place in multiple facilities.
- As population grows and the city expands geographically, we have to expand our infrastructure. My budget includes an expansion of Pleasant View Road on the west side of Madison for this reason.
- Taking advantage of needed stormwater upgrades on Regent Street, we are replacing all the aging infrastructure at once, creating efficiency in construction which saves money and reduces the burden of construction on the neighborhood.

The Capital Budget forms the foundation for the places we live, work, and play. My Executive Capital Budget makes careful investments to maintain and improve our critical infrastructure to meet the needs of a growing city and find efficiencies wherever possible. With these investments, we are continuing to support thriving neighborhoods, businesses and the community.

Respectfully submitted,

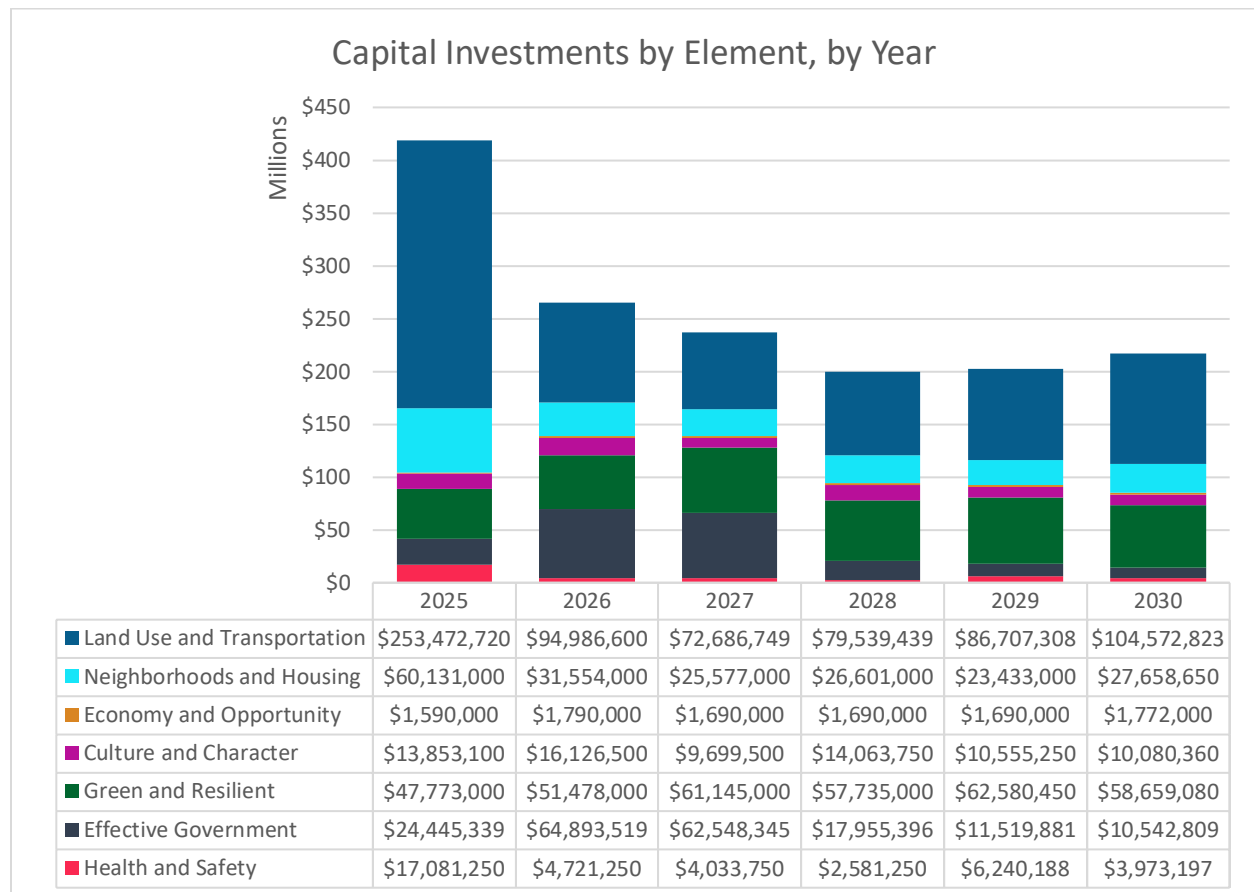
Mayor Satya Rhodes-Conway

Capital Budget Overview & Expenditure Summary

The City of Madison’s **Capital Improvement Plan (CIP)** is a six-year planning and financial document that details investments to provide lasting improvements in the City’s infrastructure and assets. The **capital budget** is the first year of the plan, which appropriates funding for capital projects and programs. The remaining five years of the CIP are presented as a roadmap for the future. In total, the 2025 executive budget invests \$418.3 million in 2025 and \$1.5 billion over the course of the CIP (2025-2030). The timing of major projects, such as construction of a new facility or a major roadway project, contributes to variability in annual budget amounts across the years of the CIP.

The graph below shows the total investments in the executive CIP by year, grouped by **Element**. Elements are defined in [Imagine Madison](#), the City’s Comprehensive Plan, as major topic areas that influence the quality of life in the city. Each capital project in the budget identifies a primary Element. Projects may contribute to multiple Elements but are shown in the graph based on their primary goals.

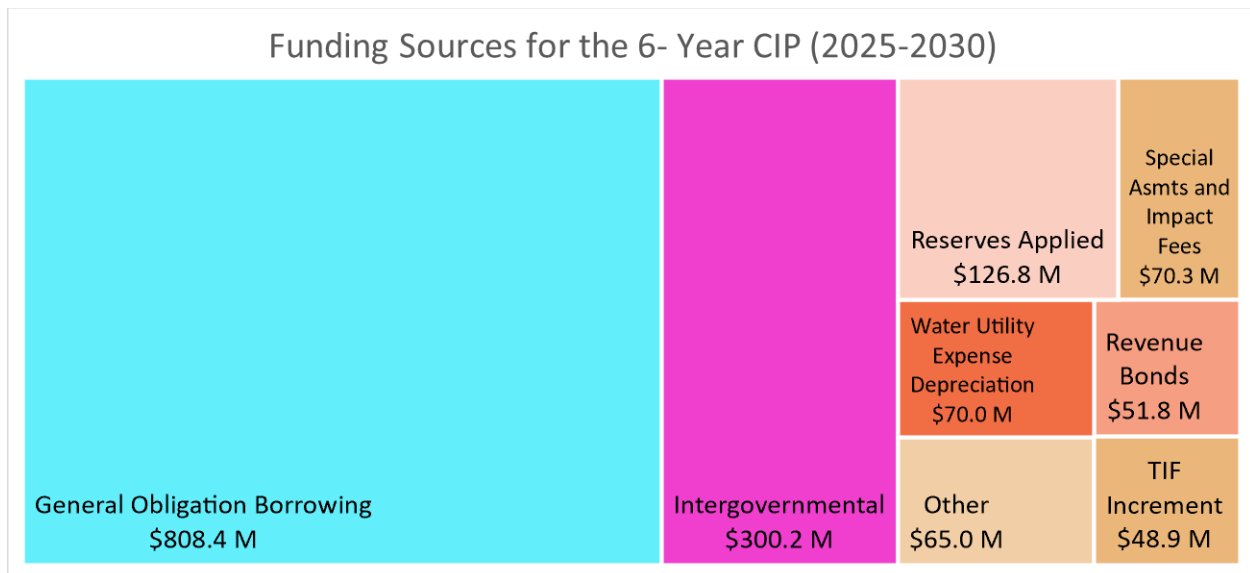
Land Use and Transportation, which includes major infrastructure projects, street and sidewalk construction and repair, and transportation system investments, account for almost half (44.9%) of all capital investments. Green and Resilient, which includes investments in energy efficiency, sewer and stormwater systems, and parks, is the next largest category (22.0%). A detailed breakdown of all elements is included in the “Projects by Element” section of the executive summary.



Funding Source Summary

Just over half (52.4%) of the CIP is funded through **General Obligation (GO) Borrowing**, a type of municipal borrowing that is secured by the City’s property tax base. The 2025 executive CIP includes \$808.4 million in GO borrowing over the next six years, with \$583.6 million of GO borrowing repaid by the General Fund. The remaining GO borrowing is funded by other sources such as enterprise funds for utilities and Tax Incremental Districts (TIDs).

The second largest source of funding is intergovernmental sources, which primarily reflects federal grants and programs (\$269.1 million), as well as state funding (\$19.0 million) and Dane County sources (\$12.1 million). Other sources include proceeds from Tax Incremental Financing, impact fees, special assessments, and miscellaneous revenues. Finally, expense depreciation, reserves, and revenue bonds are paid back through utility rates to support funding for utility infrastructure projects.



Federal Funding Assumptions

The City actively pursues grants and partnerships to offset the impact of projects on local property taxpayers. In 2025, the North-South Bus Rapid Transit (BRT) project in the Transportation Department’s budget accounts for the largest share of federal funding (\$158.1 million). The total project, including all funding sources and prior appropriations, is \$200.1 million. The North-South BRT will complement the East-West BRT, which is scheduled to open September 2024. Together, these projects represent an unprecedented level of federal funding that will provide significant improvements to our transit system.

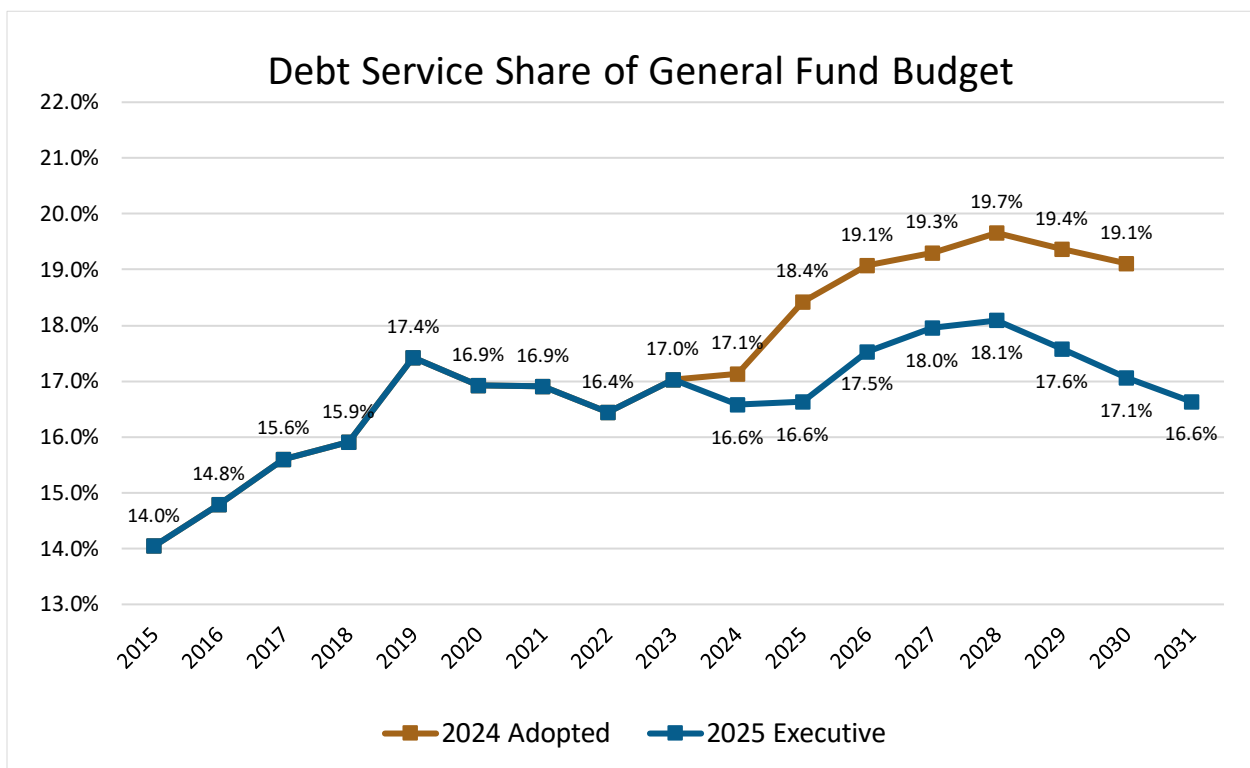
Other projects with significant federal funding include Metro’s Electric Transit Coaches program (\$10.9 million in 2025; \$70.4 million over the 6-year CIP), and CDA’s Triangle Redevelopment project (\$5.7 million in 2025). Some of these funds have been secured, such as the \$118.1 million Federal Transit Administration Small Starts award for N-S BRT. Other funds will be contingent on competitive grants or qualification for tax credits. Although not all funding is secured, including these funds in the budget demonstrates the city’s commitment to specific projects in grant applications and allows agencies to move quickly if they successfully receive awards.

Debt Service

Debt service is the City’s repayment of principal and interest on GO Borrowing. Much of the debt issued is rapidly repaid over a 10-year period. This practice and others have helped Madison maintain its Aaa (Triple-A) bond rating from Moody’s Investors Service. This ensures the lowest possible interest costs.

Debt service is paid from the **operating budget**. Throughout 2024, City staff have engaged with the Common Council and public about the City’s structural deficit in the operating budget. It is important to note that **the amount of debt service in the budget does not impact the structural deficit**. This is because debt service is excluded from the State formula for calculating the property tax levy for operations. Reducing the amount of borrowing for capital projects does lower the amount of future debt service and total property tax. However, reducing borrowing does not result in more money to pay for operating costs.

Although debt service does not impact the structural deficit, it is important to maintain an affordable and sustainable balance between debt service and the cost of providing everyday services to residents in the operating budget. Debt service as a share of the operating budget is projected to be 16.6% in 2025, slightly lower than projected in the 2024 adopted budget.



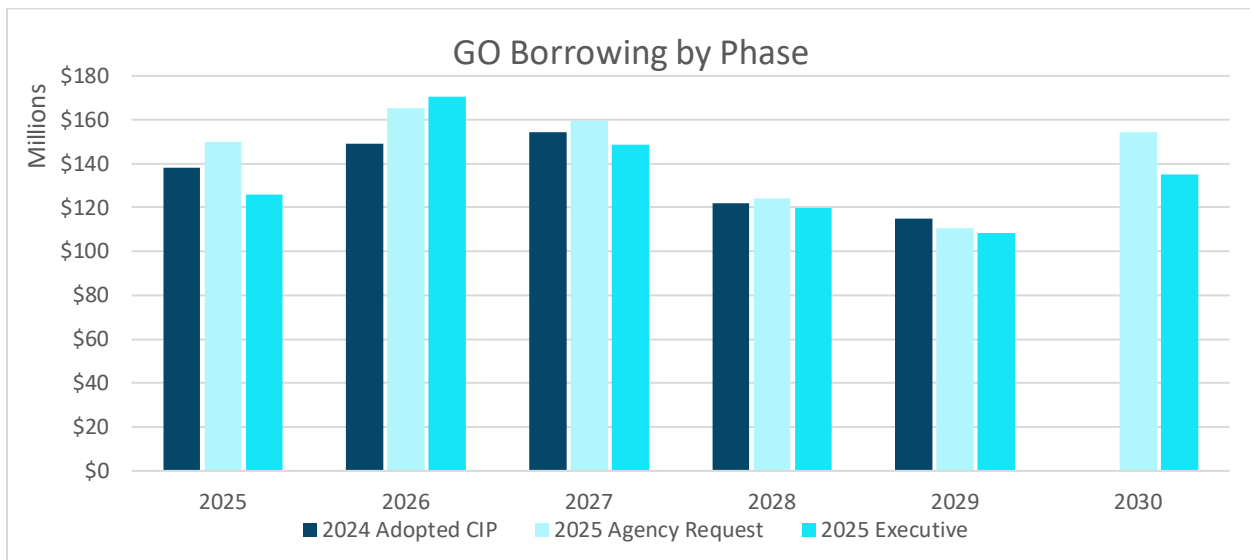
Comparison with the 2024 Adopted CIP and Agency Requests

The 2024 adopted CIP anticipated a budget of \$346.0 million in 2025 and a total budget of \$1.26 billion between 2025 and 2029. The 2025 executive budget proposes a budget of \$418.3 million in 2025 and a total budget of \$1.32 billion between 2025 and 2029, with an additional \$217.3 million scheduled in 2030. The total budget in the 2025 executive CIP is higher than the 2024 adopted CIP because it anticipates more money from non-borrowing funding sources, such as federal grants. The table below details GO Borrowing and Other funding sources in each year of the CIP by phase.

Funding by Type, by Budget Phase, from 2025-2030

	GO Borrowing			Other		
	2024 Adopted	2025 Request	2025 Executive	2024 Adopted	2025 Request	2025 Executive
2025	138,269,024	149,962,789	125,914,515	207,705,420	239,426,420	292,431,894
2026	149,179,069	165,326,539	170,407,929	86,566,450	89,560,450	95,141,940
2027	154,281,205	159,575,055	148,642,755	95,142,000	91,414,099	88,737,589
2028	122,137,706	123,946,056	119,848,156	86,596,650	79,341,189	80,317,679
2029	114,798,114	110,794,787	108,586,787	100,796,200	94,143,200	94,139,290
2030		154,320,439	135,009,439		82,253,390	82,249,480
2025-2029 Subtotal	678,665,118	709,605,226	673,400,142	576,806,720	593,885,358	650,768,392

When looking only at GO borrowing in 2025, the 2025 executive CIP is \$12.4 million less than the amount planned in the 2024 adopted CIP. Additionally, the executive CIP is \$24.0 million less than agency requests. The lower GO borrowing in the executive budget reflects a decision-making process that carefully scrutinized available funding sources, project timing, and scope of work, to responsibly lower borrowing wherever possible without compromising critical infrastructure projects.



Major Projects in the 2025 CIP: South Madison

In January of 2022, the City of Madison formally adopted the South Madison Plan, which highlighted a desire to continue the redevelopment of the Village on Park and surrounding area as a mixed-use town center combining structured parking, commercial, office, and residential uses. Through land banking, the closure of the South Transfer Point, and relocation of Centro Hispano, the City has an opportunity to transform a four-acre site to meet many community needs.

The 2024 adopted CIP included projects for the initial phases of the work in multiple agency budgets, including CDA Redevelopment, Fire, Police, and Public Health. The 2025 executive CIP continues funding the redevelopment plan. An updated summary of project funding is detailed below.

Community Development Authority (CDA): South Madison Redevelopment

CDA is acting as the master developer for the site. Funding for this project will include supporting predevelopment work and financing for tax credit developments as part of the South Madison Plan.

- **2025 CIP Amount:** \$4 million in TIF increment in 2025; \$3 million in TIF increment in 2026.
- **Change from 2024 adopted CIP:** The 2024 adopted budget planned for the use of TID-supported GO borrowing in 2025 and 2026, which has been updated to TIF increment from TID 51.
- **Total Project Budget:** \$9.0 million; the 2025 CIP is in addition to \$2.0 million allocated in 2024.

Community Development Authority (CDA): Triangle Redevelopment

The Triangle Redevelopment project will replace 362 Public and Section 8 units with roughly 1,200 units of mixed-income housing over the course of five (5) phases. The total cost of each phase is highly dependent on the number of units, level of affordability, and subsidy program selected. The 2024 CIP funded phase 1 of the project. To create a cohesive funding and construction schedule and to minimize tenant and stakeholder disruption, funding for Phases 2 and 3 are included in the 2025 CIP. Phases 4 and 5 remain on the Horizon List, pending continuing work with the U.S. Department of Housing and Urban Development on refined cost estimates for the project.

- **2025 CIP Amount:** \$24.5 million in Developer Capital Funding, which will include various sources such as tax credits, reserves, and TIF; \$5.7 million in federal sources
- **Change from 2024 adopted CIP:** The 2024 CIP only included funding for phase 1; the 2025 Executive Budget includes funding for phases 2 and 3.
- **Total Project Budget:** To be determined; the 2024 Budget authorized \$11 million in addition to \$30.2 million proposed in the 2025 CIP. Total cost pending estimates for phases 4 and 5.

Fire Department: Fire Station 6

The project funds a new Fire Station 6 to replace the existing station that is over 30 years old. The new building will include operational, mechanical, and technological efficiencies and upgrades to living space for fire personnel. This includes gender inclusive restrooms, comfort room, and more accommodating employee sleeping areas to improve the overall health and wellness of employees.

- **2025 CIP Amount:** \$3.5 million in GF GO Borrowing in 2025
- **Change from 2024 adopted CIP:** No major changes
- **Total Project Budget:** \$7.9 million; the 2025 CIP is in addition to \$4.4 million authorized in 2021.

Police: South District Station and Property & Evidence Facility

The project funds the construction of a new facility co-locating a new South Police District Station with a centralized property and evidence storage facility for items seized by the Police Department. The newly constructed facility will replace multiple locations throughout the city for property and evidence, and the existing South Police District Station on Hughes Place.

- **2025 CIP Amount:** \$2.0 million in GF GO Borrowing in 2025; \$39.8 million in GF GO Borrowing in 2027
- **Change from 2024 adopted CIP:** The 2024 adopted CIP including design funding in 2025 and construction funding in 2026. The 2025 executive CIP moves construction back to 2027 to allow for construction of Fire Station 6 before the police facility. There is no change in total funding.
- **Total Project Budget:** \$44.5 million

Public Health: South Madison Public Health Clinic

The project funds a new Public Health Madison Dane County (PHMDC) clinic on the city’s south side. The current facility at Village on Park no longer meets the department’s needs based on growth in Dane County and its corresponding impact on PHMDC programming. The new facility will be accessible from the beltline, consolidate clinical and office spaces, and create one point of entry for services with the goal of increasing accessibility for clients.

- **2025 CIP Amount:** \$6.5 million in Non-GF GO Borrowing and \$8.5 million in County funds in 2025
- **Change from 2024 adopted CIP:** No major changes
- **Total Project Budget:** \$15 million

Other Project Highlights: Projects by Element

The following pages provide more information on specific projects by **Element**, which are topic areas identified in [Imagine Madison](#), the City’s Comprehensive Plan. Each page displays a summary of funding and expenses for each Element and a list of major projects.

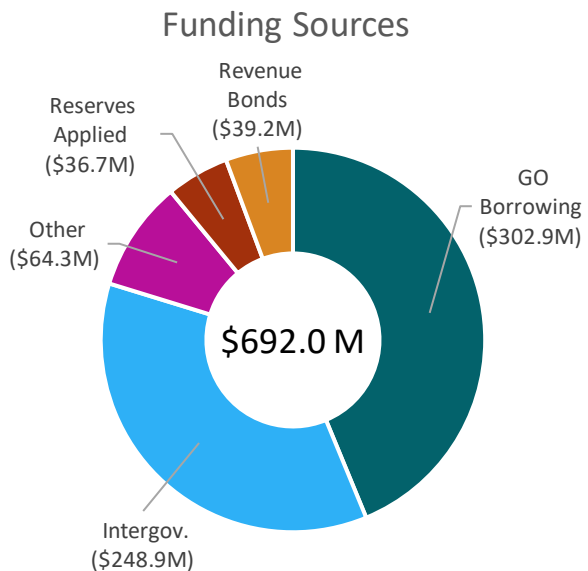
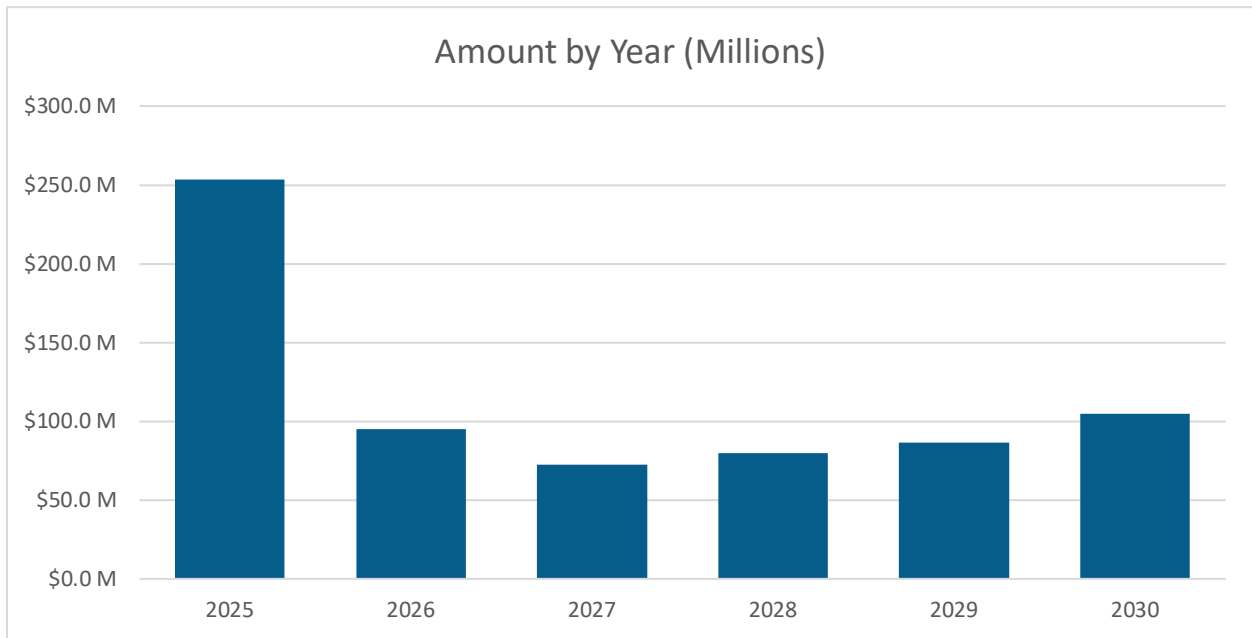
Oftentimes, projects contribute to multiple Elements. For example, stormwater projects may contribute to Green and Resilient goals for environmental impact and Effective Government goals related to efficiently of managing city utilities. However, agencies can only select one Element when developing their budget proposals. In the summary data below, projects are shown based on their primary Element, even if a project may influence other areas.



Image from the Imagine Madison Comprehensive Plan: <https://plans.cityofmadison.com/interactive-comprehensive-plan>

Projects by Element: Land Use & Transportation

Land Use & Transportation projects represent almost half (44.9%) of spending in the CIP. Major projects include the implementation of North-South Bus Rapid Transit and reconstruction of major streets such as John Nolen Drive. This category also includes ongoing programs to reconstruct and maintain the City's streets, sidewalks, and bike lanes. The largest share of funding for the \$692.0 million budgeted over 6 years is from GO borrowing (43.8%). The next largest share of funding is from intergovernmental sources (36.0%), representing large federal grants for transit and infrastructure.

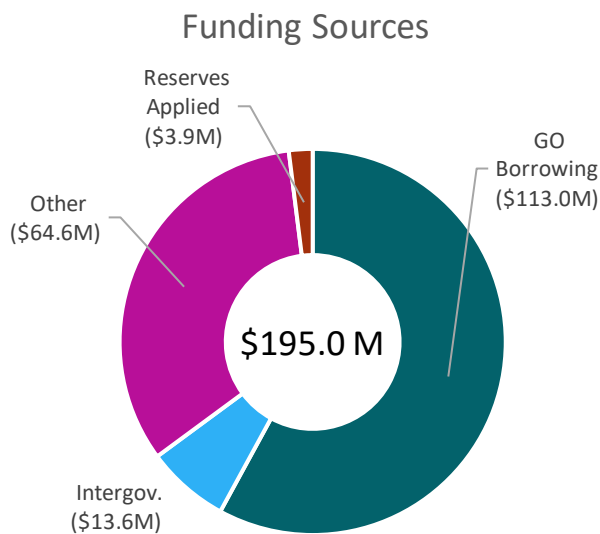
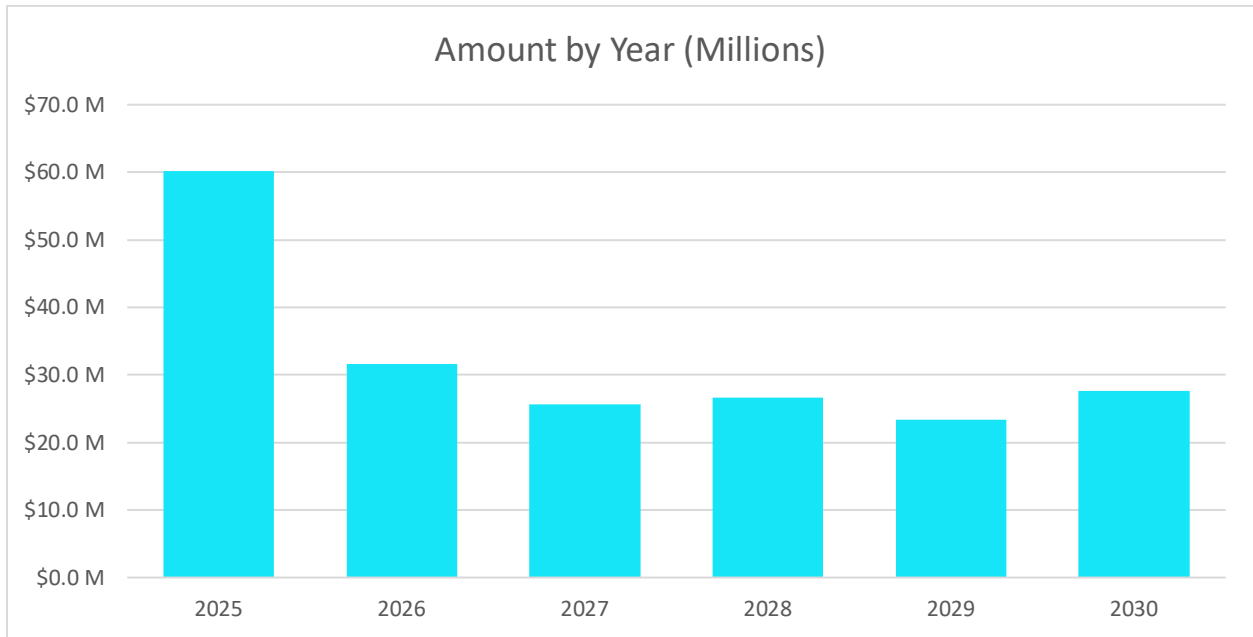


Project & Program Highlights (All Funds)

- **2025:** North-South Bus Rapid Transit (N-S BRT) (\$174.9m)
- **2025 – 2030 (ongoing programs):** Pavement Management (\$121.8 m); Reconstruction Streets (\$115.9 m); Metro Electric Buses and Charging Equipment (\$88.0 m); Sidewalk Program (\$33.9 m); Bikeways Program (\$14.4 m); Safe Streets Madison (\$9.8 m)
- **2025-2030 (major projects):** John Nolen Drive (\$23.8m); High Point/ Raymond/ MidTown (\$20.6m); Regent St (\$19.3 m)

Projects by Element: Neighborhoods & Housing

The 2025 CIP includes \$195.0 million of investments in Madison’s Neighborhoods & Housing. Projects included in this category support the goal of the City to have a full range of quality and affordable housing opportunities for residents. This includes continued funding in the Community Development Division for affordable housing development (\$90.8 million), and funding in the Community Development Authority’s (CDA) budget for South Madison Redevelopment (\$7.0 million) and the Triangle Redevelopment (\$30.2 million). The CDA projects will collectively add 1,400 units of mixed-income housing.

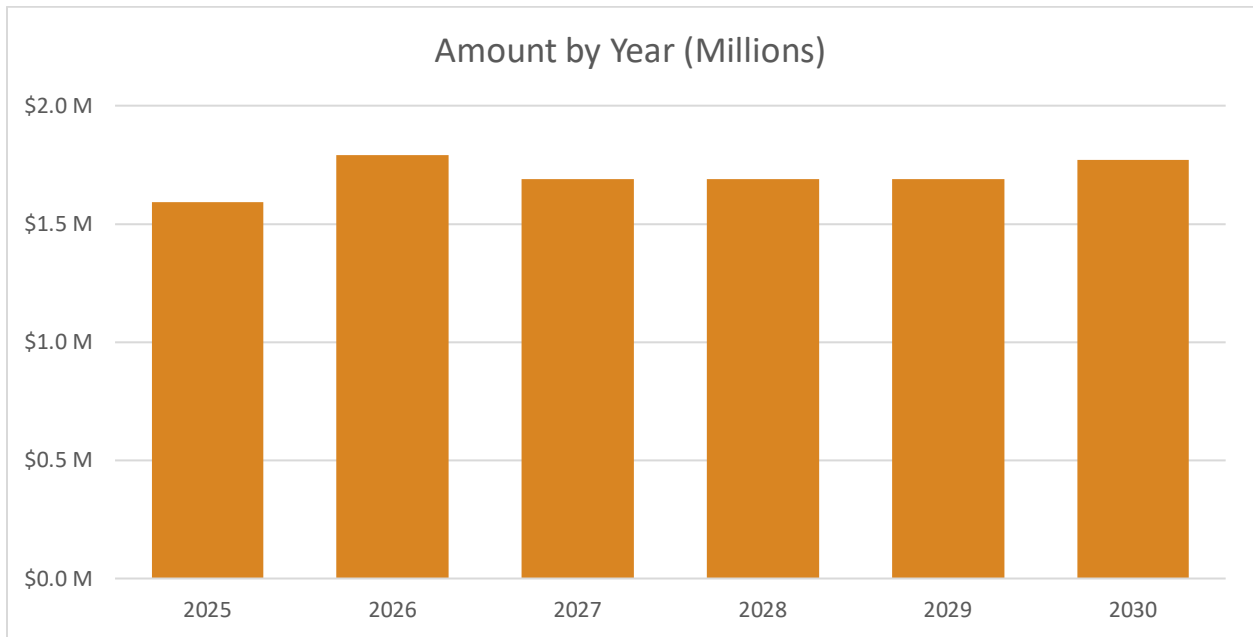


Project & Program Highlights (All Funds)

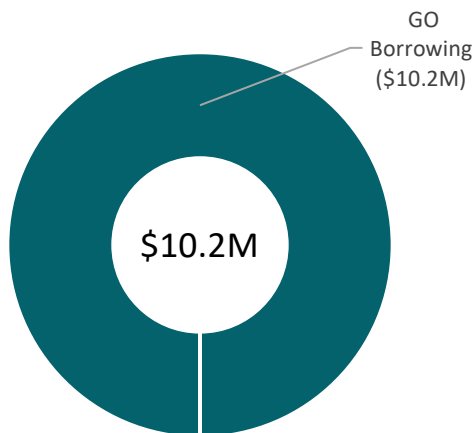
- 2025-2030 (ongoing programs):** Affordable Housing Development (\$90.8 m); Affordable Housing Consumer Lending (\$19.3 m); TID 51 South Madison (\$18.2 m); CDA Affordable Housing (\$12.1 m); Land Banking (\$6.1 m)
- 2025-2030 (major projects):** Triangle Redevelopment (\$30.2 m); South Madison Redevelopment (\$7.0 m)

Projects by Element: Economy & Opportunity

The 2025 executive CIP includes \$10.2 million for projects to support Madison’s economy and opportunities for residents. Programs funded under this element include Small Business Equity and Recovery (SBER), which is composed of multiple initiatives: Façade Grant program, Commercial Ownership Assistance Program, Madison Pop Up Shop Program, BusinessReady Program, and more. The primary funding source for these projects is revenues from Tax Increment Financing (TIF) supported General Obligation Borrowing. The City’s operating budget includes many other initiatives on an ongoing basis aimed at advancing these strategies.



Funding Sources

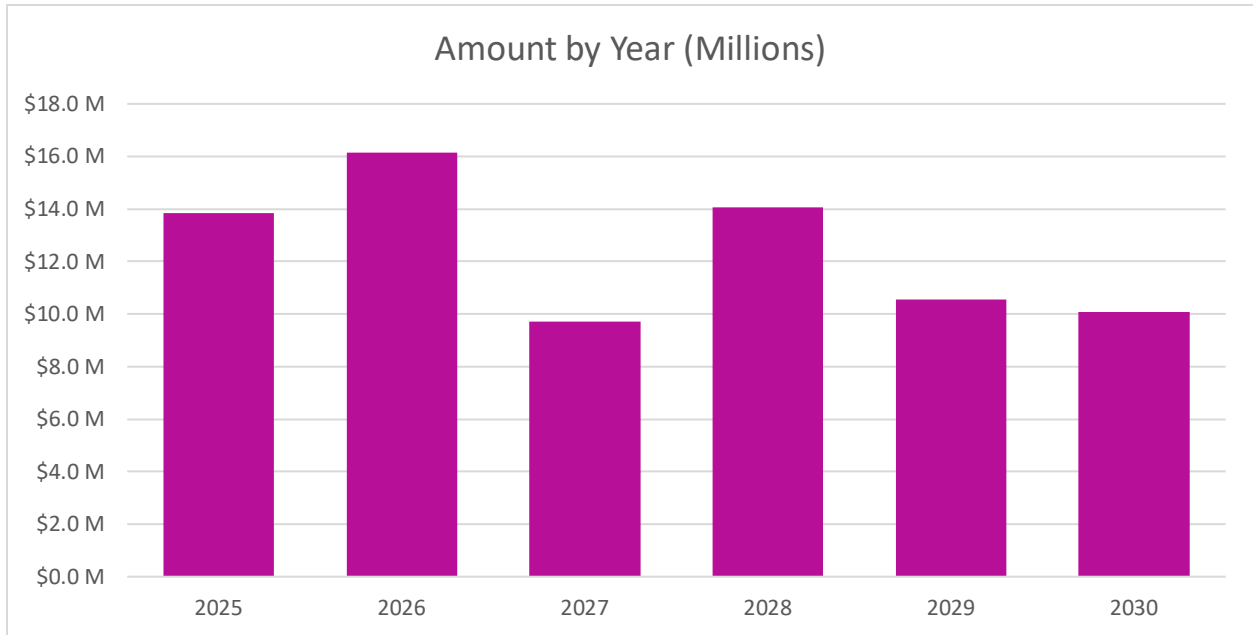


Project & Program Highlights (All Funds)

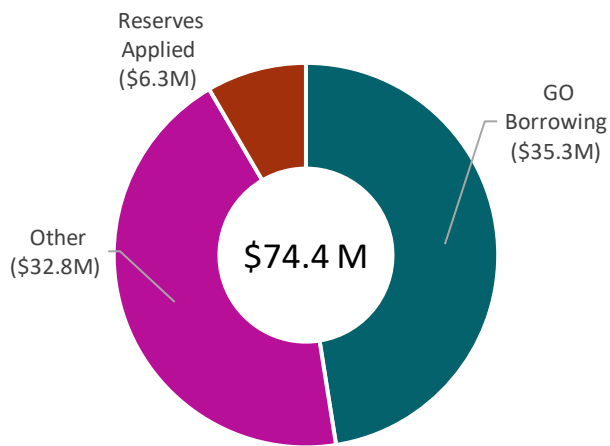
- **2025-2030 (ongoing programs):** Small Business Equity and Recovery (\$2.5 m); TID 54 Pennsylvania Ave (\$4.5 m); TID 53 Wilson St (\$2.6m); TID 52 E Washington Stoughton Rd (\$300,000); Business Park Holding Costs (\$242,000)

Projects by Element: Culture & Character

The 2025 CIP includes \$74.4 million to support the City’s Culture & Character. Parks projects account for the largest share of funding under this element – \$52.1 million – which includes funding for park land improvements, accessible playgrounds, Olbrich Botanical Gardens improvements, and the Lake Monona Waterfront project. The 2025 budget also funds library improvements and collections and investments in public facilities such as Monona Terrace and Henry Vilas Zoo. These projects funded through a mix of GO borrowing, impact fees, and other sources.



Funding Sources

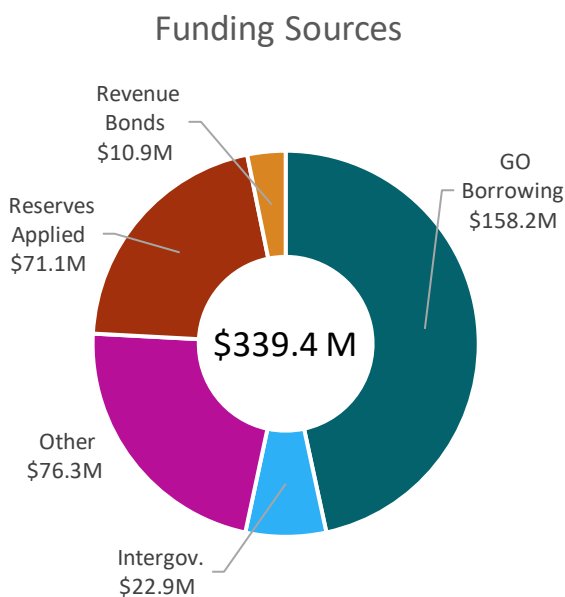
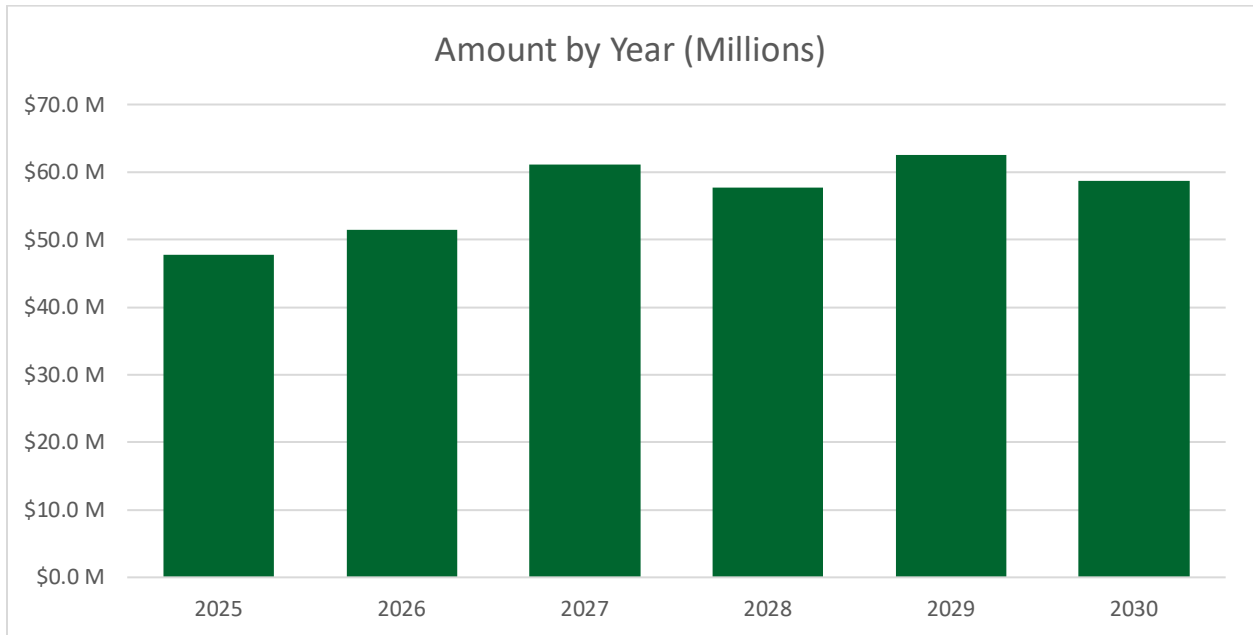


Project & Program Highlights (All Funds)

- **2025-2030 (ongoing programs):** Park Land Improvements (\$27.4 m); Monona Terrace Building Improvements and equipment (\$12.6 m); Playground/ Accessibility Improvements (\$7.6m); Library Collections (\$5.6 m); Olbrich Improvements (\$2.5m)
- **2025-2026:** Lake Monona Waterfront project (\$6.9 m); Brittingham Beach House (\$1.9 m)
- **2027-2029:** Odana Hills Clubhouse Improvements (\$2.7 m)

Projects by Element: Green & Resilient

The CIP invests \$339.4 million in Green & Resilient projects and programs, which represents 22.0% of the CIP. This is the second largest element in the CIP. Projects in this category invest in energy efficiency and resiliency to help the City mitigate and adapt to the impacts of climate change. This includes electrifying the City’s fleet and investing in electric vehicle charging infrastructure, improving energy efficiency in City facilities, improving utility infrastructure, and preserving our natural environment by supporting parks and open spaces. In addition to GO Borrowing, these projects are funded through utility reserves and revenue bonds that are repaid by ratepayers.

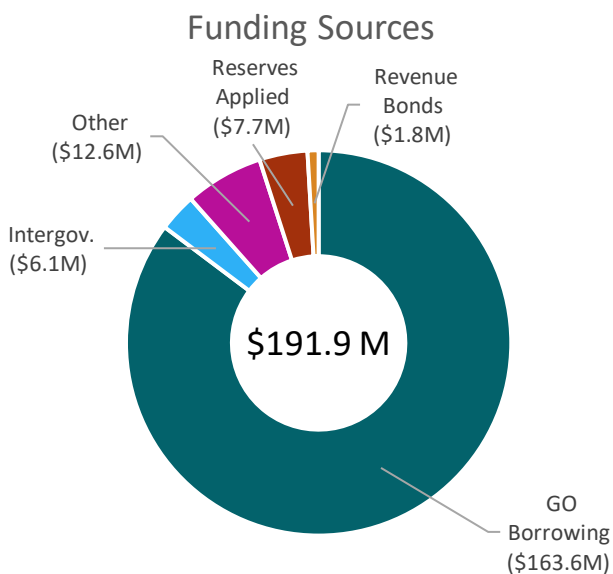
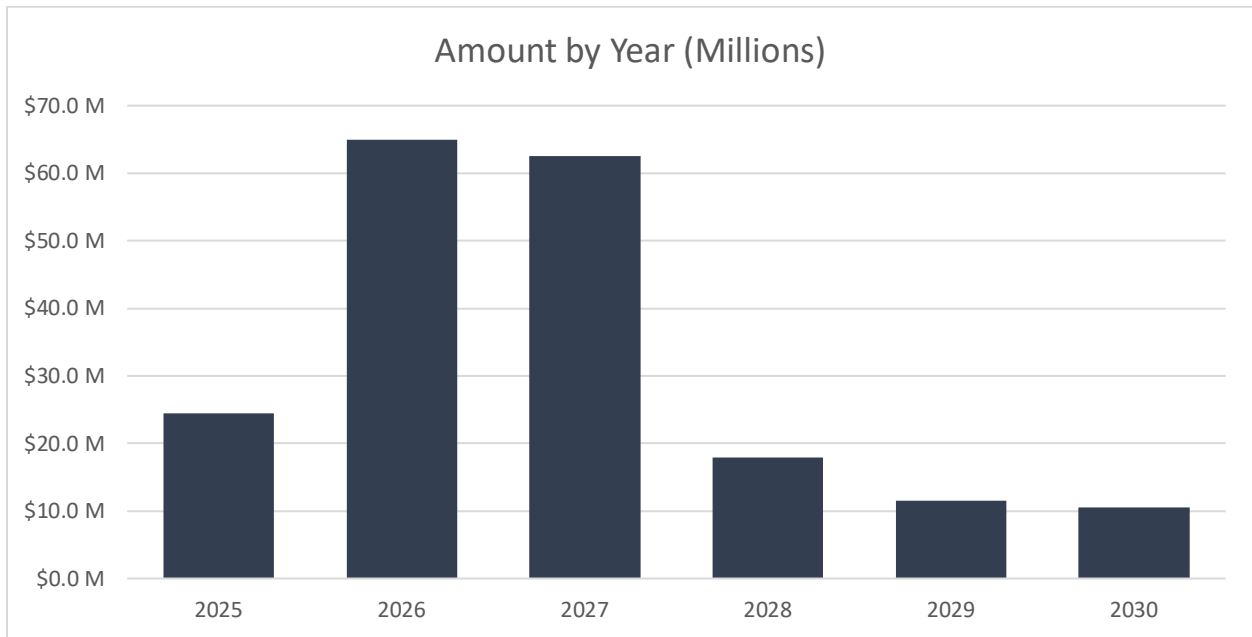


Project & Program Highlights (All Funds)

- **2025-2030 (ongoing programs):** Water Mains – New and Replacement (\$82.9 m); Fleet Equipment Replacement (\$61.8 m); Fire Apparatus Replacement (\$22.4m); Engineering Energy Improvements Program (\$20.1 m); Trenchless Sewer Rehabilitation (\$12.2 m); Stormwater Systems Improvements (\$6.8 m); Beach and Shoreline Improvements (\$3.6 m)
- **2025-2027:** Warner Lagoon Dredging (\$4.5 m); Lower Bader Mill Creek Pond (\$1.8 million)

Projects by Element: Effective Government

The 2025 CIP includes \$191.9 million for investment in Effective Government. These projects are primarily funded by GO Borrowing. The 2025 CIP includes funding for several major facility projects including the Streets Far West facility, a new Police Property and Evidence facility that will consolidate multiple sites and will be co-located with a new South District Station, and a new Fire Station 6 that is planned as part of the South Madison Redevelopment. These investments will create operational efficiencies, improve services to residents, and create the opportunity to co-locate multiple functions in one building. In addition to facilities, this element includes funding for equipment and IT systems.

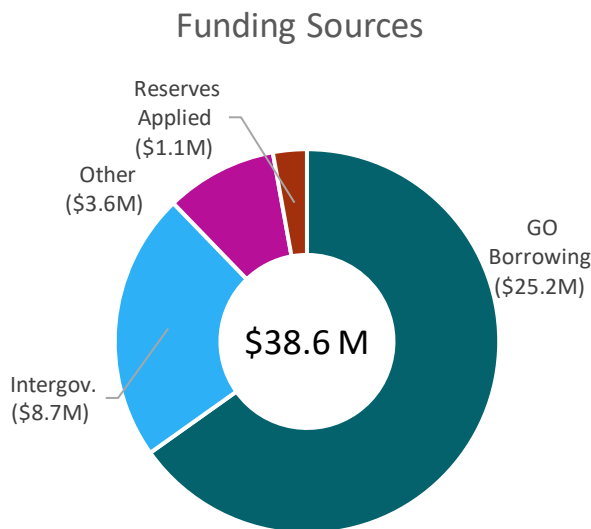
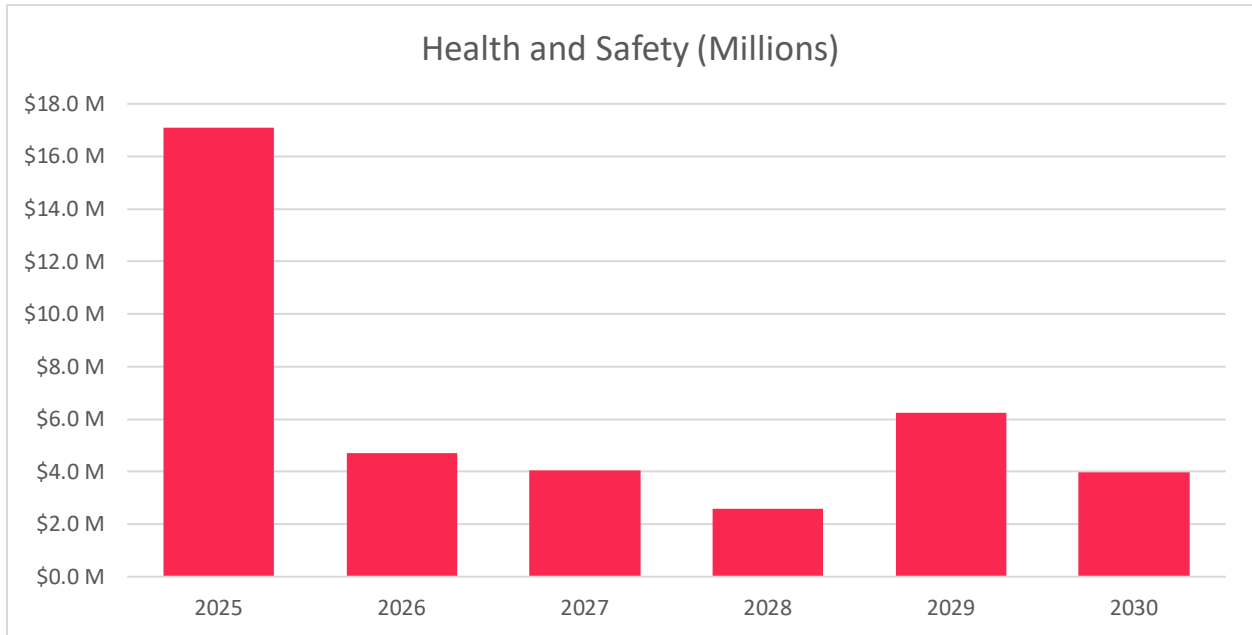


Project & Program Highlights (All Funds)

- **2024-2029 (ongoing programs):** Citywide Flood Mitigation (\$13.1 m); Network Infrastructure (\$10.2m); Fiber Network (\$6.1 m); Fire and EMS Equipment (\$3.5 m); Metro Equipment and Facility Systems (\$2.8 m)
- **2025:** Fire Station 6 (\$3.5 m)
- **2025-2026:** Streets Far West Facility (\$45.6 m)
- **2025-2027:** Police South District Station and Property & Evidence Facility (\$44.5m)

Projects by Element: Health & Safety

The 2025 CIP includes \$38.6 million to support the City’s Health & Safety. This includes funding for a new Public Health clinic in South Madison. The new clinic will be designed to meet the service needs of the community by creating a single entry point for all services, adding space for Public Health to run multiple programs concurrently, and consolidating office and lab spaces for staff. In addition, funding under this Element supports the City’s Public Safety Radio System and police radios, street light installation, and projects aimed at ensuring the safety of our City’s streets for drivers, bicyclists, and pedestrians.



Project & Program Highlights (All Funds)

- **2025-2030 (ongoing programs):** Park Facility Improvements (\$8.9 m); Police portable radios (\$5.0 m) and public safety radio system (\$2.0 m); Street Light Installation (\$3.8 m)
- **2025:** South Madison Public Health Clinic (\$15 m)
- **2029:** Streets Sycamore Salt and Sand Barn (\$3.3 m)

Learn More: Public Works Project Websites

The City's Public works divisions maintain project websites that provide detailed information on the status of capital projects. You can search by project type, by keyword, or location. These web pages include maps, status updates, links to public hearings, copies of design plans, and more.

Public Works Project Websites

- Engineering: <https://www.cityofmadison.com/engineering/projects>
This page includes Sewer and Stormwater projects, as well as facility projects that may be budgeted in another agency.
- Parks: <https://www.cityofmadison.com/parks/projects>
- Water Utility: <https://www.cityofmadison.com/water/projects>

Screenshot from Engineering Project website, September 2024

The screenshot displays the 'Projects' page on the City of Madison Engineering Project website. On the left, there is a sidebar with a 'Projects' menu listing categories like Bike, City Facilities, Road Construction, Sewer / Storm, and Completed Projects. Below this is a 'Search Projects' section with filters for Project Type, Start Date, End Date, Status, Impact, and Alder District. The main content area features a map of Madison, Wisconsin, with numerous green location pins indicating project sites. Below the map, a list of 'Active Projects' is shown, including:

- [2120 Fish Hatchery Road](#)
Type: City Facilities
Status: Planning
- [3400 Block East Washington Ave Sewer Replacement](#)
Type: Sewer / Storm
Status: Bidding
- [American Family Lift Station Emergency Generator](#)
Type: City Facilities, Sewer / Storm
Status: In Design
- [Atticus Way](#)
Type: Road Construction
Status: In Design
- [Autumn Ridge Path](#)
Type: Bike
Status: In Design