

From: [Alex Saloutos](#)
To: [All Alders](#)
Subject: Request to Vote NO and Refer to Economic Development Committee, Legistar ID 89347, Agenda item number 78
Date: Tuesday, October 7, 2025 4:48:42 PM
Attachments: [251007 MEMORANDUM DEIS ALLALDERS.pdf](#)

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Dear Alders,

I respectfully request that you vote NO on the proposed \$150,000 sole-source contract with Downtown Madison, Inc. (Legistar ID 89347, Agenda Item 78) and refer this matter to the Economic Development Committee for proper review. Please see the attached memo outlining significant procedural, transparency, and conflict-of-interest concerns with this proposal.

Thank you for your consideration.

Alex Saloutos

M E M O R A N D U M

Date: October 7, 2025

To: Common Council, City of Madison

From: Alex Saloutos

Re: **Recommendation to Vote NO and Refer to Economic Development Committee, Legislar ID 89347**

I respectfully urge you to vote NO on the proposed \$150,000 sole-source contract with Downtown Madison, Inc. (DMI) and instead refer this matter to the Economic Development Committee for proper review. This recommendation is based on significant procedural, legal, and transparency concerns that deserve your careful consideration.

A vote for this contract is a vote for:

- Allowing beneficiaries to write their own publicly-funded investment strategy. DMI represents the downtown property owners, developers, and businesses who will directly benefit from public investments recommended by this strategy. This creates a fundamental conflict of interest that undermines the credibility of any resulting plan, regardless of its quality.
- Bypassing competitive bidding requirements. The scope of work reveals DMI is subcontracting to MIG, Inc., Vandewalle & Associates, NEOO Consulting, and EQT by Design—all firms the City could hire directly through a competitive RFP. Madison's ordinances (MGO 4.26) and City Attorney guidance are clear: sole-source contracts are only permitted when services are "available from only one person or firm." This does not meet that standard.
- Approving a contract you haven't seen. While the resolution references "the attached \$150,000 sole source Purchase of Services contract," no contract appears in the legislative file. Essential details remain unknown: What is the total project cost? How much is DMI retaining versus paying consultants? What are the specific deliverables and timelines?
- Ratifying work that began before Council approval. According to DMI President Jason Ilstrup's August report to his board, work commenced in July 2025—two months before tonight's vote. This violates MGO 4.06, which requires authorization before work begins.
- Eliminating public transparency. Unlike City departments, DMI is not subject to open records laws. Once this contract is executed, the public loses access to DMI's internal communications, meeting records, and correspondence about this project. The scope of work describes extensive coordination through "Project Management Team" and "Project Leadership Team" meetings—but these will not be subject to open meetings laws.
- Circumventing the Economic Development Committee. Despite the EDC's charter explicitly stating it "shall make recommendations to the Mayor and the Common Council on economic development" (MGO 33.17), this proposal bypassed that committee entirely and went straight to Finance, where it passed on the consent agenda without discussion.

Specific concerns:

- Lobbyist Registration: DMI appears to meet the definition of a lobbyist under MGO 2.40, as they were attempting to influence City decision-making regarding the allocation of public funds. The failure to register until after the contract was approved raises legal compliance questions.

- **TIF Statute Compliance:** The use of TID 50 funds for areas outside the legally required half-mile radius appears to violate Wisconsin Statute 66.1105(2)(f)1, which explicitly states that costs benefiting areas outside the TID cannot be project costs.
- **Redundancy with Existing Plans:** The DEIS scope includes housing recommendations that duplicate work already completed or underway in the Housing Forward Initiative, Comprehensive Plan, Downtown Plan, Housing Strategy Committee Report (October 2024), 2025-2029 Consolidated Plan, and Dane County Regional Housing Strategy.
- **Geographic Scope Without Neighborhood Input:** The strategy covers "Greater Downtown," including the Marquette neighborhood and other residential areas, but these neighborhoods were not consulted about this expanded scope.
- **DMI Control of Process:** The scope of work explicitly grants DMI approval authority over scope changes ("Any additional data development and/or mapping by MIG will be conducted following a discussion and approval from DMI"—page 5). Additionally, "MIG and DMI will agree to the project boundary or boundaries" (page 3). The City becomes a participant rather than the lead in planning its own downtown economic investment strategy.

A Better Path Forward

No one disputes that downtown planning is important or that DMI offers valuable perspective. However, there is a right way to incorporate private sector input while maintaining public accountability:

1. Vote NO on this contract tonight
2. Refer the matter to the Economic Development Committee to evaluate:
 - Whether this strategy is needed given existing planning efforts.
 - Whether the City should lead this work directly.
 - How this should integrate with the Downtown Madison Plan update.
 - Whether a public-private partnership model is appropriate, and if so, under what terms.
3. If the City proceeds, conduct a competitive RFP process that:
 - Allows DMI to contribute financially as a project partner.
 - Maintains City control over the planning process.
 - Ensures compliance with sole-source contract requirements.
 - Creates an advisory committee including DMI representation.
 - Preserves transparency through open records and meetings.
 - Follows all applicable City policies and procedures.

The City's Service Promise states we will "Involve those who are impacted before making decisions" and "Treat everyone as they would like to be treated." The City's values emphasize equity, civic engagement, transparency, and stewardship. This proposal falls short of these commitments.

Conclusion

This is not about opposing downtown development or dismissing DMI's contributions. It is about doing things the right way—following established procedures, maintaining transparency, avoiding conflicts of interest, and ensuring that public investments serve the entire community.

The Economic Development Committee exists precisely to review proposals like this. Let's use the process we have in place. Our downtown's future is too important to rush through a flawed process that undermines public trust.

I respectfully request that you vote NO on Legistar ID 89347 and refer this matter to the Economic Development Committee for proper review and recommendation.

Thank you for your consideration and your service to Madison.