



# City of Madison

City of Madison  
Madison, WI 53703  
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## Meeting Minutes - Approved ECONOMIC DEVELOPMENT COMMITTEE

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Wednesday, February 15, 2012

5:00 PM

215 Martin Luther King, Jr. Blvd  
Room LL110 MMB (Madison Municipal Building)

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### CALL TO ORDER / ROLL CALL

The meeting was called to order at 5:02 pm.

**Present:** 8 -

Ken Opin; Peng Her; Mark Clear; Julia Stone; Alfred L. Zimmerman;  
Sandra J. Torkildson; Joseph W. Boucher and Matthew C. Younkle

**Excused:** 4 -

Victoria S. Selkove; Edward G. Clarke; Scott J. Resnick and Jill Johnson

Alder Scott Resnick arrived at 6:15 pm; Julia Stone and Sandra Torkildson left at 6:50 pm.

**Also Present:** Assistant City Attorney Lara Mainella; Alder Michael Verveer; Brad Murphy, Bill Fruhling, Planning Division; Aaron Olver, Matthew Mikolajewski, Economic Development Division.

Chairperson Boucher thanked Mr. Zimmerman and the EDC Downtown Plan Subcommittee for all their work on the Downtown Plan.

### APPROVAL OF MINUTES

A motion was made by Stone, seconded by Clear, to Approve the Minutes of the December 21, 2011, meeting. The motion passed by voice vote/other.

### DISCLOSURES AND RECUSALS

Mr. Opin said he is in a book club with Tom Neujahr of Urban Land Interests (ULI). He has no financial interest in ULI or Downtown Madison.

### PUBLIC COMMENT

Chairperson Boucher asked if comments from the public could be held until their agenda item was discussed. The registered speakers agreed.

### DISCUSSION ITEMS

- 1      [25056](#)      Accepting a Selection Committee's recommendation of The Rifken Group, LTD proposal for the purchase and redevelopment of City-owned properties in the 800 Block of East Washington Avenue and authorizing the execution

of a Purchase and Sale Agreement with The Rifken Group, LTD and Irgens Development Partners, LLC for the purchase and redevelopment of these properties.

**A motion was made by Clear, seconded by Opin, to Re-refer to the ECONOMIC DEVELOPMENT COMMITTEE. The motion passed by voice vote/other.**

A motion was made by Alder Clear, seconded by Mr. Opin to recommend approval of the sale of the City-owned properties at 800 E Washington to the Rifkin Group.

Mr. Olver explained the Rifkin Group is pausing in their development of this property while they review the viability of the project in the current commercial real estate climate in Dane County. He said staff recommends this be referred to a future EDC meeting.

Alder Clear withdrew his motion.

**A motion was made by Alder Clear, seconded by Ms. Torkildson to refer discussion of this resolution to a future EDC meeting.**

Ms. Torkildson asked if this is the site of a rumored future grocery store?  
Mr. Olver said it is not.

**The motion passed by voice vote.**

**A motion was made by Alder Clear, seconded by Mr. Her, to defer discussion of Agenda Item #2 to later in the meeting.**

Alder Clear explained Alder Resnick wants to be part of this discussion and asked to hold discussion until he arrives.

**The motion passed by voice vote.**

3      [24468](#)

A Resolution Adopting the Downtown Plan as a Supplement to the City of Madison Comprehensive Plan.

**A motion was made by Alder Clear, seconded by Mr. Zimmerman, to Return to the Plan Commission with the following recommendations: to recommend approval of the Downtown Plan and accept the Subcommittees motions and other changes made at this meeting.**

**The motion passed by voice vote.**

DISCUSSION:

Registered speaker, Delora Newton, Greater Madison Chamber of Commerce, acknowledged the EDC Subcommittee, the BID, and DMI's work on this plan. The Chamber's comments on the DT Plan echo those of the BID and DMI. She asked for maximum flexibility for extraordinary buildings to be allowed to exceed building height limits.

Registered speaker, Mary Carbine, representing the Madison Central BID, thanked the EDC Subcommittee for their work, time, and thoughtful consideration of the BID's recommendations on the plan. The BID supports the Subcommittee recommendations, especially on Keys 2 and 3 and recommendations 59 and 3.2.

She noted the BID supports DMI and Smart Growth's recommendations and supports implementing metrics in the plan. The BID is willing to work with the EDC on the metrics. She would like to call attention to Key 2 which recognized the need for larger floorplates for retail development of 7,000-10,000 square feet. If a large sized department store or theater were to locate Downtown it would require an even greater floorplate of 20,000-85,000 square feet. The plan needs this flexibility. The Bid would also like the City to create a handbook for retailers with a special section for Downtown retailers.

Registered speaker, Gary Peterson, supports the Subcommittee's work and recommendations. He looked at the parcel map on page 29 and said it is two years old and show parcels of more than one-half acres. It is confusing and he does not like it in the plan. It is background work. He is also concerned that the plan creates non-conforming buildings in the new zoning code. The plan should not do this.

Ms. Stone asked him to elaborate.

Mr. Peterson said the building height map on page 29 makes some buildings non-conforming and if they are ugly they can be replaced at their current height but if not ugly they can only be rebuilt at the new building height called for in their area.

Mr. Opin asked for Mr. Peterson's background and why he is at the EDC?

Mr. Peterson is an American Institute of Certified Planners (AICP) member and a lifelong resident of Madison. He is a past member of DMI.

Registered speaker, Carole Schaeffer, representing Smart Growth Greater Madison and Palisades Property, thanked the Subcommittee for their work. She added the development community needs flexibility on building heights. She appreciates the proposed change in the Conditional Use process. She agrees with Gary Peterson about not creating non-conforming buildings. She suggested changing page 22 to add additional partners such as, the non-profits and philanthropic entities and on page 41 remove reference to "contention" as this alludes to difficulty doing redevelopment and on page 89 remove Recommendation 89 calling considering creation of for creation of Neighborhood Conservation Districts. On behalf of Palisades Property they are concerned with page 129 and the bonus areas for step backs. They suggest step backs of 10 to 15 feet instead of the 30 feet in the bonus areas.

Registered speaker, Susan Schmitz, representing Downtown Madison, Inc. (DMI), thanked the EDC for having a subcommittee and Mr. Zimmerman for serving as Subcommittee Chairperson. They like the wording on Objective 43 dealing with the Mifflin area. They support the Smart Growth suggestion to allow changes of building height through the PDD process.

Mr. Opin asked if Urban Land Interest is a DMI member?

Ms. Schmitz said ULI is a member.

Chairperson Boucher deferred to Mr. Zimmerman to lead the discussion of the DT Plan Subcommittee's work and review of the Guiding Principles and metrics.

Mr. Zimmerman suggested the following process be followed:

1. Ask for a motion of approval of the Subcommittee's recommendations and pull out to discuss any recommendations that are in question.

2. Address the Guiding Principles
3. Address Appendix D, the metrics.

**A motion was made by Alder Clear, seconded by Mr. Zimmerman, to recommend approval of the Downtown Plan and accept the Subcommittees motions and other changes made at this meeting.**

Alder Clear said the Subcommittee suggested changes to the Conditional Use process would allow it to be used to change the building height restriction in all districts and asked do we need to also suggest this in the Planned Development District (PDD) process?

Mr. Murphy asked for clarification if the EDC is recommending the PDD be a vehicle to exceed building height limits?

Alder Clear said as the PDD is defined it cannot be used to exceed building height limits.

Mr. Zimmerman added the EDC needs to amend the PDD to allow for this.

Mr. Murphy said if the EDC believes the height limits in the DT zoning districts should allow for varying the height limits the Zoning Code adopted on March 29, 2011 would need to be amended.

Mr. Olver said changing the PDD is a zoning change not a Downtown Plan item.

Alder Clear asked if there are other suggested changes to the Zoning Code?

Mr. Murphy said it is nothing to do with the Downtown Plan and it is ultimately the Common Council's decision.

Mr. Opin asked if anyone supports the PDD as it currently is?

Mr. Zimmerman said not one had spoken.

**A motion was made by Alder Clear, seconded by Mr. Zimmerman, to add "including the Planned Development District" at the end of the Subcommittee's Recommendation 44.**

Ms. Stone asked for background on the PDD process?

Alder Clear said the DT Plan defines zoning districts. The existing Zoning Code says a PDD cannot be used to exceed building height limits.

**The motion passed by voice vote.**

Alder Clear asked about non-conforming buildings?

Mr. Murphy said existing buildings were made non-conforming when the zoning code was changed in the 1960's. If a building had a non-conforming use it was allowed to continue. This is a legal non-conforming use. The new zoning code seeks to avoid creating new non-conforming buildings.

Mr. Peterson was asked to explain his view on this.

Mr. Peterson said if the DT Plan calls for a five-story building and the existing building

is ten stories tall it can only be rebuilt as a five-story building and the developer will leave the ten story building because it produces more money even if it is outdated. He suggested the EDC recommend any existing building as of the date of the adoption of the DT Plan can be replaced as it is.

Mr. Zimmerman asked if existing ugly buildings can be redeveloped and if the replacement building can be the same height?

Mr. Peterson said when a developer applies for refinancing they are asked for a declaration of the zoning on the property. There are no checks on this. In the current banking climate this may change and make refinancing more difficult.

Mr. Opin asked if there is a height or a bulk restriction?

Mr. Peterson said this is a height restriction.

Ms. Stone asked how many buildings are affected by this?

Mr. Murphy said in 1966 when the Zoning Code was last changed there were approximately 1,000 non-conforming buildings created and they still exist. Mr. Murphy said the intent is to have the new code eliminate these through setbacks and lot area requirements.

Ms. Stone asked why keep an ugly building?

Mr. Peterson said it may be economically feasible to keep the old building that is non-conforming due to its height.

Mr. Younkle said he personally does not want to create more non-conforming buildings. He does not know how this can be incorporated?

Mr. Opin said he does not understand what is being asked; does the language or the map need to be changed on page 29?

Mr. Peterson said the draft zoning code language specifically said the building heights as shown on the map, not what is written in the plan. The map is not included in the text of Recommendation 20.

**A motion was made by Ms. Stone, seconded by Mr. Opin to add a new sentence to Recommendation 20 on page 27:**

**"This recommendation shall be implemented through the development of new Downtown Zoning Districts."**

**The motion passed by voice vote.**

Chairperson Boucher asked for any other changes?

Alder Clear asked for step backs to be discussed.

Mr. Zimmerman said the Subcommittee discussed the step backs and flatiron buildings and there were changes suggested to view sheds. There is no need to discuss this further.

Ms. Stone asked about a Conditional Use process to change building step backs?

Mr. Fruhling said the PDD process can waive setbacks and step backs.

Chairperson Boucher asked to discuss the metrics.

Mr. Zimmerman said the process is to discuss the Guiding Principles next.

**A motion was made by Alder Clear, seconded b Mr. Zimmerman, to put this agenda item on the table and return to discussing Agenda item 2.**

**The motion passed by voice vote.**

2      [24778](#)

Creating Sections 39.07 and 33.07(7)(k)13. of the Madison General Ordinances to require contractors to provide benefits to employees with domestic partners that are equal to the benefits offered and provided to married employees.

**A motion was made by Opin, seconded by Her, to Return to Lead with the Recommendation for Approval to the BOARD OF ESTIMATES. The motion passed by voice vote.**

DISCUSSION:

Registered speaker, Delora Newton, Greater Madison Chamber of Commerce (GMCC), is speaking for information only. The GMCC has no position on this ordinance. She would like to speak about its history. She said a few years ago the County had the same issue. There was concern about how a small business could contract with the County when it did not offer insurance benefits to its employees. The GMCC Small Business Advisory Council worked through this issue and the County passed the ordinance.

Alder Clear asked if the County Ordinance mandates providing benefits?

Ms. Newton said the original language was too broad and not clearly defined. The City ordinance is similar to the adopted County ordinacne.

Alder Verveer said he had served on the EDC at one time. Dane County has had their ordinance in place since December 1, 2008. When writing the City's ordinance they looked at other states such as California, and other communities that already have this type of ordinance in place. Madison is behind because it did not even offer equal benefits to its employees until about one year ago. He worked with City staff on substitute version # 2 which they are discussing tonight. Alder Jill Johnson asked for this item to be referred to the EDC. The Affirmation Action Commission and the Board of Public Works have already recommended adoption of this Ordinance. The Board of Estimates will discuss it at their February 28th meeting.

Ms Torkildson said as a small buisness owner she had problems finding health insurance for an employee's partner. Does Group Health Cooperative offer it?

Alder Verveer said all Dane County providers now offer it.

Alder Clear asked if the State is in compliance with this?

Ms. Mainella said contracts with other government units are exempt but they do follow Affirmative Action requirements.

Mr. Opin said the Federal government does not offer these benefits.

Mr. Zimmerman asked how does this affect a large company that does not have health insurance in the State of Wisconsin?

Ms. Mainella said this does not exclude them because they live in a jurisdiction where it is illegal to offer domestic partner coverage.

**Alder Scott Resnick arrived at 6:15 pm.**

**Present:** 9 -

Ken Opin; Peng Her; Mark Clear; Julia Stone; Alfred L. Zimmerman;  
Sandra J. Torkildson; Joseph W. Boucher; Matthew C. Younkle and Scott  
J. Resnick

**Excused:** 3 -

Victoria S. Selkove; Edward G. Clarke and Jill Johnson

Mr. Zimmerman asked if benefits would be required for the entire company or just those working on the City contract?

Ms. Mainella said the ordinance does not specify this.

Mr. Zimmerman said big companies might not bid on these contracts. Is there an exemption for international companies?

Ms. Torkildson said this would be prejudicial toward local companies.

Mr. Opin said Fortune 500 companies offer these types of benefits to their employees to be competitive. Larger organizations are more likely to have these benefits.

Mr. Zimmerman asked to look at the economic benefits to the City. Is this a social aspect or is it economic growth?

Ms. Mainella said there is a cash equivalent requirement from the company if they cannot provide these benefits.

Ms. Stone asked if it is possible for a company to be required to pay for spouses? She helps people move to Madison and this would be a big selling point for Madison.

Mr. Younkle is concerned about small business and the cost of compliance. Is there any consideration to exempt small businesses?

Alder Verveer said this was discussed and there is none. The City has raised the dollar amount of the contracts that would be covered by this ordinance.

Ms. Torkildson said when forced to comply it would make insurance companies look at their policies.

Alder Verveer said the ordinance does not require registration as a domestic partner but insurance companies may require this.

Ms. Torkildson said GHC requires her employees to register as domestic partners.

Ms. Mainella said this ordinance is setup in a cafeteria style as to how a domestic partner is defined. If a jurisdiction does not have domestic partner registration then cash equivalency can be used to comply.

Ms. Stone asked if domestic partners have to wait for open enrollment times?

Mr. Zimmerman said life changing events allow for enrollment at any time.

**A motion was made by Mr. Opin, seconded by Mr. Her, to Return to Lead with the Recommendation for approval.  
The motion passed by voice vote.**

**Agenda item #3 was taken off the table and discussion resumed.**

[24468](#)

A Resolution Adopting the Downtown Plan as a Supplement to the City of Madison Comprehensive Plan.

DISCUSSION:

Mr. Zimmerman asked if there were any comments on pages 5-7, the sections in the blue blocks?

He read the bullet points.

**A motion was made by Alder Clear, seconded by Mr. Younkle to change the fifth bullet on page 6 by deleting the word "Emphasis" and replacing it with "Appreciate."**

**The motion passed by voice vote.**

Mr. Fruhling said the Guiding Principles are from the adopted Comprehensive Plan and changing them would require a change to the Comprehensive Plan.

**A motion was made by Alder Clear, seconded by Ms. Stone to reconsider the previous motion.**

**The motion passed by voice vote.**

**A motion was made by Alder Clear, seconded by Ms. Stone, to not edit the Guiding Principles.**

**The motion passed by voice vote.**

Chairperson Boucher is thinking of suggesting a motion that every proposed project in the Downtown have the economics of it be considered.

**Sandra Torkildson and Julia Stone left the meeting at 6:50 pm. A quorum was still present.**

**Present:** 7 -

Ken Opin; Peng Her; Mark Clear; Alfred L. Zimmerman; Joseph W. Boucher; Matthew C. Younkle and Scott J. Resnick

**Excused:** 5 -

Victoria S. Selkove; Julia Stone; Sandra J. Torkildson; Edward G. Clarke and Jill Johnson

Alder Resnick asked who would review this?

Chairperson Boucher said developers do an economic analysis when they propose a project.



Mr. Olver suggested this information could be asked for on the application form. This is being reviewed as part of the implementation of the Development Review Report.

Chairperson Boucher said economic information has not been discussed in the review of the proposed changes to the 100 Block of State Street.

Mr. Opin asked if the 100 Block of State Street project should come to the EDC?

Mr. Zimmerman said from his experience with development in other countries Madison is the only country that does not ask for this information. Mr. Zimmerman said economic information is asked for as part of the land use approval in other places.

Mr. Opin said it is appropriate for the EDC to stay out of land use approvals but it has a huge impact on the City so we should ask for it.

Chairperson Boucher asked if there is a will from the EDC to ask for this information? Alder Resnick asked if this would just be for Downtown Projects or citywide?

Chairperson Boucher said building height and size are economic issues.

Mr. Zimmerman said the guiding principle is the economic impact on the urban area and to the Downtown.

Alder Resnick said the EDC would have to meet more often to review economics of all proposals.

A motion was made by Mr. Zimmerman, seconded by Alder Clear, to add a Guiding Principle:  
The Downtown Plan provide maximization of economic impact of the Downtown Core.

Alder Clear thinks this statement is a vision.

Mr. Zimmerman said the EDC should discuss how this plan guides development of the Downtown and some principles need to be reinforced.

Mr. Fruhling said the Guiding Principles were used as a reference in the discussions of the DT Plan. He suggested putting them in the Appendix.

Chairperson Boucher wants to say economics matter.  
Alder Clear said Key 2 does this.

Chairperson Boucher asked if Key 2 emphasized this enough?

Alder Clear responded yes.

**A motion was made by Mr. Younkle, seconded by Alder Clear, to move the Guiding Principles to the Appendix.  
The motion passed by voice vote.**

Mr. Zimmerman asked if there are any objections to Key 2?

Mr. Fruhling said the metrics of the plan have gotten a lot of attention. The BID and DMI have talked about them. At this point staff recommends the metrics be pulled out

of the plan and be made into a stand alone companion document.

Chairperson Boucher said this makes discussion of Ed Clarke's metrics not necessary at this time.

Mr. Zimmerman suggested adding a new Key 2 Objective:  
Prepare an overall marketing plan coupled with key metrics to promote and sustain key objectives.  
In Key 2 the DT Plan needs a comprehensive tool to tie to a goal or metric. A comprehensive business development plan is needed to codify the Downtown's economic development.

Alder Clear said it needs to say "maximize the economics of the Downtown."

We need to create an Economic Development Plan for the Downtown. See objective 2.1.

Chairperson Boucher said his concern is there is no economic component to proposed development.

Mr. Zimmerman said a comprehensive Economic Development Plan that supports, sustains and promotes overall plan according to a series of metrics to judge projects is how to grow the Downtown tax base.

Alder Resnick said it is good to use actual projects as examples, the 100 Block Project is reviewed based on the missions of each committee.

Chairperson Boucher said the economics of projects should be discussed like everything else. Economics should be discussed in parallel with architecture not after the fact.

Mr. Opie suggests we talk about the economics of Block 100 at the next EDC meeting.

A motion was made by Mr. Younkle, seconded by Alder Resnick, add after Objective 2.1, to develop comprehensive economic related metrics as standards against which all development can be judged and reviewed.

Alder Clear said a new objective 2.0 is needed instead.

Mr. Younkle withdrew his motion.

A motion was made by Alder Clear, seconded by Mr. Zimmerman, to add two new Objectives in Key 2;  
To ensure an economic focus on employment .  
Ensure Downtown Development has a set of metrics.

This motion was withdrawn by Alder Clear.

**A motion was made by Alder Clear, seconded by Mr. Zimmerman to add a new Objective 2.0:  
Maximize economic value of the Downtown by encouraging high density, high value projects that add employment and enhance property values.**

**Recommendation #1: Encourage that economic factors are considered in each land use decision in terms of employment and tax value.**

**Recommendation #2: Develop a comprehensive set of metrics and measurements upon which the economic value of development can be measured and/or benchmarked.**

Mr. Opin asked how a project like Monona Terrace with no property tax base would be reviewed?

Chairperson Boucher said the public use of a project may be taken into account.

Mr. Zimmerman asked how the EDC could discuss economic impacts if there is no data to help the discussion like the ALDO review?

**The motion passed by voice vote.**

Chairperson Boucher said it is appropriate to discuss the metrics at the next meeting.

**A motion was made by Alder Clear, seconded by Mr. Her, to have Appendix D reviewed at future meetings, with the EDC as the lead committee on this review.**

**The motion passed by voice vote.**

Chairperson Boucher asked if it is time to vote on the original motion to accept the Subcommittees work and everything else discussed tonight?

Alder Resnick asked to discuss the Langdon Street neighborhood and how to maximize that area.

A motion was made by Alder Resnick, seconded by Alder Clear, to ask staff to look at a comprehensive housing and land use plan for a more detailed future growth for the Langdon Street area.

The motion was withdrawn by Alder Resnick.

**A motion was made by Mr. Zimmerman, seconded by Alder Clear, to add a new recommendation after recommendation 80 on page 57 :**

**“Develop a special area plan to provide more detail on the types of development and economic opportunities for the Langdon area, including a marketing plan.”**

**The motion passed by voice vote.**

Chairperson Boucher called for a vote on the original motion to recommend acceptance of the Downtown Plan with the EDC’s Subcommittee motions and the motions by the EDC at this meeting.

4      [17637](#)      EDC Chairperson's Report

Chairperson Boucher said he has not yet completed meeting with all of the EDC members. He hopes to finish these meetings soon.

5      [21360](#)      EDD Director Report

Mr. Olver reviewed his handout of current development projects: Capitol East District, Wingra Clinic, University Crossing, and Royster Clark. He briefly described Thrive's Advance Now project and the advantage of listing the City's current economic development projects thereby enabling the City to apply for future EDA funding. He explained the City of Middleton's request to the State Legislature for changes to their TIF district that would allow Spectrum Brands to move to Middleton.

6      [17643](#)      Upcoming Meetings

#### **INTRODUCTION OF NEW ITEMS FROM THE FLOOR**

Mr. Opin would like to discuss the economics of the proposed redevelopment of the 100 Block of State Street at the next meeting.

#### **BUSINESS**

Mr. Zimmerman thanked the EDC Downtown Plan Subcommittee for all their work on the DT Plan.

Alder Resnick said the work by the EDC on the DT Plan is impressive and a fantastic job.

#### **ADJOURNMENT**

**Chairperson Boucher adjourned the meeting at 7:53 pm.**