



City of Madison

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

Wednesday, July 15, 2015

5:00 PM

215 Martin Luther King, Jr. Blvd.
Room 260 (Madison Municipal Building)

CALL TO ORDER / ROLL CALL

The meeting was called to order at 5:07 p.m. by Chairperson Greene.

Present: 7 - Peng Her; Rebecca Kemble; Eric E. Steege; M. Meghan Blake-Horst; Mark R. Greene; Matthew C. Younkle and Denise DeMarb

Absent: 2 - Craig P. Stanley and Steve King

Excused: 1 - Patricia (Pat) A. Schramm

Pat Schramm arrived at 5:22 p.m.; Matt Younkle left 7:02 p.m..

Also Present: Matthew Mikolajewski, Economic Development Director; Peggy Yessa, Office of Business Resources; Dan Kennelly, Office of Business Resources; Ruth Rohlich, Office of Business Resources; Jay Wendt, Planning Division

APPROVAL OF MINUTES

A motion was made by Younkle, seconded by Blake-Horst, to Approve the Minutes of the June 17 meeting. The motion passed by voice vote.

PUBLIC COMMENT

None.

DISCLOSURES AND RECUSALS

Ms. Blake-Horst will recuse herself from agenda item #2 - Public Market District.

1. [39259](#) Development Review Initiative Report Update

Mr. Mikolajewski explained in 2011 the EDC completed their report "Development Process Improvement Initiative" and the Implementation Plan for the report.

Mr. Jay Wendt, City of Madison Principal Planner, said the report and implementation plan are still relevant. He explained the GIS and ACELA computer systems have allowed better project tracking. Digital plan review may be implemented in the future.

Pat Schramm arrived at 5:22 p.m..

Present: 8 - Peng Her; Rebecca Kemble; Eric E. Steege; M. Meghan Blake-Horst; Mark R. Greene; Patricia (Pat) A. Schramm; Matthew C. Younkle and Denise DeMarb

Absent: 2 - Craig P. Stanley and Steve King

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Mr. Steege asked about providing more economic impact data.

Mr. Wendt said the economics of a proposal are not asked for on the application . The City is investigating the Urban Footprint software tool.

Alder Demarb said most proposals are contested because developers ask for changes to the rules. The Council has no idea on the cost of constructing additional floors on a project.

Mr. Wendt said the City does not have construction costs .

Mr. Mikolajewski said sometimes the construction costs can be found in TIF applications.

Mr. Steege said the tax base impact of a project is not known.

Chairperson Greene said we need to be more competitive in projects. A one stop shop would be more efficient. Do we have comparables from other areas to gather data?

Mr. Wendt said some cities assign a project manager to each application . The possibility of a post approval Development Assistance Team (DAT) Committee to wrap up things on the city sign-off process could help projects begin construction sooner .

Chairperson Greene asked for periodic updates on the progress of the Implantation Plan.

2. [38885](#)

Accepting the Public Market Business Plan as the guiding document for the implementation of a public market at First Street and East Johnson Street and directing the Local Food Committee to provide recommendations on operating structure, transition, and a market district plan.

Passed 6:0:1 - Yes - Younkle, DeMarb, Kemble, Greene, Her, Schramm, Steege; No - None; Recused - Blake-Horst (Absent: Stanley, King)

Ms. Blake-Horst recused herself from agenda item #2-Public Market District and left the table.

A motion was made by Mr. Younkle, seconded by Ms. Schramm, to accept the resolution with the following changes as discussed:

1. Move the last paragraph to before the paragraph that begins “BE IT FURTHER RESOLVED, that the Common Council authorizes the use . . .”

2. Drop the word “aggressive” from the paragraph that is 4th from the end.

3. Add the following language to the 6th paragraph from the end: “future Capitol Improvement Plans,” (between “organizational structure” and “transition to the Public Market”)

A motion was made by Younkle, seconded by Schramm, to Return to Lead with

the Following Recommendation(s) to the MADISON FOOD POLICY COUNCIL,.

1. Move the last paragraph to before the paragraph that begins “BE IT FURTHER RESOLVED, that the Common Council authorizes the use . . .”

2. Drop the word “aggressive” from the paragraph that is 4th from the end.

3. Add the following language to the 6th paragraph from the end: “future Capitol Improvement Plans,” (between “organizational structure” and “transition to the Public Market”)

The motion passed by the following vote:

Absent: 2 - Craig P. Stanley and Steve King

Ayes: 7 - Peng Her; Rebecca Kemble; Eric E. Steege; Mark R. Greene; Patricia (Pat) A. Schramm; Matthew C. Younkle and Denise DeMarb

Recused: 1 - M. Meghan Blake-Horst

Discussion:

Mr. Kennelly said the business plan is being finalized. The EDC gave their input on it at prior meetings. We will have the spreadsheets of the pro formas and be able to change numbers over time. The Business Plan is a living document. The Council directed work on an Equity Analysis that will be an attachment to the Business Plan. The resolution calls to pursue Options #2 or #3.

Mr. Mikolajewski said the 2016 Capitol Budget does not have the full amount for the Public Market. It recognizes the need for fund raising.

Mr. Kennelly said the Board of Public Works has recommended adoption of the resolution with Option #2 not Option #3 which includes a roof deck.

Mr. Mikolajewski explained the review process. The Local Food Committee will be the last of all referrals and can create a substitute resolution with changes from the other reviewing committees.

Alder Demarb asked for the economic impact of Option #2 versus Option #3. What is “aggressive timing”? Moving the Fleet Services operations is a big deal with huge numbers. It is in the 2020 budget.

Ms. Schramm asked if there is a way to amend the resolution to work more on fund raising and the Public Market District.

Mr. Mikolajewski suggested keeping in mind there is a lot of work, fund raising and finalizing the operating plan; this will continue even if construction does not start until 2020. The Public Market Building is the lynchpin and needs to be focused on.

Alder Demarb said the current resolution language is not right to keep the momentum going.

Ms. Schramm said this resolution sets the framework to do work so the Public Market does not get bumped out of the budget.

Mr. Younkle noted there is always the risk that it will get bumped out of the budget.

Mr. Kennelly said there is the risk of losing the project's momentum if it is not in the budget.

Mr. Her agrees with Mr. Kennelly. Dates are needed in the resolution.

Alder Demarb cannot support this resolution as it is written now. Get rid of the word "aggressive" Add into the text the work that can take place before construction.

Mr. Mikolajewski suggested in the fourth paragraph on the last page to add fund raising, develop pro formas and work on the Public Market District plan.

Chairperson Greene suggested moving the last paragraph to the front of the resolution to engage the partners.

Alder Demarb asked if a vote is needed tonight.

Mr. Mikolajewski said the Local Food Committee (LFC) would like this to move quickly.

Alder Kemble asked what the LFC think about changing the dates to December 31, 2016.

Mr. Mikolajewski said the LFC discussed pushing the dates to 2016.

Mr. Kennelly said there is work that needs to be done to flesh out the Public Market District in 2016.

Alder Demarb asked where working with the vendors fits in?

Mr. Kennelly said it is huge and is in the last paragraph.

Chairperson Greene said to move the last paragraph to the top and drop the word "aggressive". Should a specific date be included?

Mr. Younkle said the EDC recognizes 2020 is not considered aggressive.

Alder Demarb said the Capitol Budget needs to be slashed in half. Moving Fleet Services earlier would push other projects back.

Mr. Younkle suggested wording in the 4th paragraph from the bottom on the last page as follows" as aggressively as feasible, recognizing it might not happen until 2020."

Chairperson Greene suggested moving the last paragraph to above the first paragraph on the last page.

Mr. Younkle suggested the following language be added to the first paragraph from the top on the last page: "recognizing it is important to engage in Public Market District development activities in advance of construction".

Ms. Schramm suggested the following language in the second paragraph on the last page: "future Capitol Improvement Plans".

Alder Kemble said there will have to be other fundraising efforts. Madison was recently

awarded a Investing in Manufacturing Communities Partnership Designation.

3. [39143](#)

Resolution Establishing the City of Madison Certification Program

Ms. Blake-Horst returned to the meeting.

Mr. Mikolajewski reviewed the resolution to establish living wage standards and certify that businesses meet the standards. He envisions three possible ways this could be accomplished:

1. Establish a City living wage standard and let businesses pledge to agree to meet it. This is the easiest way.
2. Businesses submit wage information to the City and the City issues a certificate. This is a medium complex way to accomplish the resolution.
3. City staff could audit payrolls of businesses to confirm they pay a living wage . This is the most complex option.

Chairperson Greene asked what the outcomes of the certification are. Would this mean something to businesses seeking a City contract?

Mr. Mikolajewski said there are no ramifications if it is a voluntary program.

Alder Kemble said this preempts a State of Wisconsin ordinance to dissolve City living wage standards. The City of Madison can still do something for the businesses in the community who pay living wages.

Mr. Her asked if there would be a charge for staff time spend doing audits of companies. How does this increase economic development in Madison?

Mr. Mikolajewski said it is to be determined if there is a charge. Some may see this as a positive and that the City values companies which pay a living wage.

Mr. Younkle asked if the City has spoken with businesses yet about this .

Alder Kemble said the taxicab companies have been contacted.

Mr. Younkle said there is a perception that Madison is tough on businesses . We need to get the business community feedback on the record.

Ms. Schramm said living wage is a separate issue from the other items in this resolution. Her office recently completed a study in Sauk County on this issue . Attracting high wage jobs is important for economic development. There are living wage calculators for individuals and families. An individual's living wage is around \$15 per hour.

Mr. Mikolajewski said living wage for companies with Madison contracts is \$12.95 per hour.

Chairperson Green said he would like the Chamber of Commerce and businesses comments on this before voting. What have other cities done?

Alder Kemble said this certification is completely new.

Alder Demarb asked to get feedback from Centro Hispano. This resolution is trying to get back to where we were, not asking for what we do not have. She questioned the fiscal note, maybe existing staff can handle the taxicab and living wage components but it will be more difficult when talking with the landlords. It will be more work for Building Inspection staff. She asked Brenda Konkel, Executive Director of the Tenant Resource Center for her opinion on this.

Ms. Konkel said there are things that the City Attorney's office could do with verifying that leases comply with the laws.

Ms. Blake-Horst asked if this resolution applies to commercial properties as well as residential properties.

Alder Demarb said having three programs in one resolution is problematic, there are different stakeholders.

A motion was made by Greene, seconded by DeMarb, to Re-refer to the ECONOMIC DEVELOPMENT COMMITTEE meeting of August 19, 2015, to allow for time to receive input from the business community and business organizations. The motion passed by voice vote.

4. [39260](#)

Rooting Opportunity: Doing Economic Development Differently Conference

Alder Kemble attended the Aspen Institute Conference on June 1st and 2nd titled "Rooting Opportunity: Doing Economic Development Differently". It was about how to do economic development without creating inequalities. She reviewed her handout of the 8 key concepts from the conference. She is interested in economic development in that part of our community that is disadvantaged. Madison has a large segment of the economy that is healthy yet there is a large part of Madison that is on the fringe. Madison also has the resources to change this. The City could do this by policy, convene community patrons, identify business opportunities and build relationships to foster economic development for all.

Matt Younkle left the meeting at 7:02 p.m.. A quorum was still present.

Present: 7 - Peng Her; Rebecca Kemble; Eric E. Steege; M. Meghan Blake-Horst; Mark R. Greene; Patricia (Pat) A. Schramm and Denise DeMarb

Absent: 2 - Craig P. Stanley and Steve King

Excused: 1 - Matthew C. Younkle

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Ms. Schramm said the role of the City as an intermediary is the key to this.

Alder Demarb said this is a mechanism to connect prosperity with opportunity and equity.

Mr. Kennelly said this came through at the last Economic Summit. Equity, opportunity and mobility came out on top in the ranking of goals.

5. [21360](#)

EDD Director Report

Mr. Mikolajewski announced Madison has received an Investing in Manufacturing Communities Partnership (IMCP) Certification from the US Department of Commerce.

This means:

1. If the Region applies for Federal funding of projects in the food processing and related sectors it will receive preferential treatment.
2. A “concierge” type of service will help the Region look for funding opportunities.

MadRep did a lot of work to apply for this designation. Ms. Schramm was on the board that submitted the application. This designation lasts two years and can be reapplied for and new projects can be added.

Mr. Mikolajewski added Ms. Rohlich and Mr. Kennelly were also part of the team that wrote the application.

6. [17637](#) EDC Chairperson's Report

Chairperson Greene will continue to meet with EDC members individually.

7. [27862](#) Introduction of New Items from the Floor

None.

ADJOURNMENT

A motion was made by Ms. Schramm, seconded by Mr. Her, to adjourn the meeting. The motion passed by voice vote.

The meeting adjourned at 7:17 p.m..