



City of Madison
Meeting Minutes - Final
ECONOMIC DEVELOPMENT
COMMISSION

City of Madison
Madison, WI 53703
www.cityofmadison.com

Wednesday, September 7, 2005

5:00 PM

Madison Municipal Building
First Floor - Parks Conference Room

1 CALL TO ORDER/ROLL CALL

Present: Ald. Zachariah Brandon, Susan M. Gleason, Richard A. Slone, Mark Clear, Jeff C. Erlanger, Thomas W. Still, Mark D. Bugher, Edward G. Clarke and Ralph Kauten

Excused: Patricia E. Jenkins and Michael E. Falk

2 MINUTES OF AUGUST 3, 2005 MEETING

The following corrections were made to the minutes.

Delete "Vicky Selkove, Progressive Dane" from the list of attendees at the August 3, 2005 minutes.

A motion was made by Gleason, seconded by Slone, to Approve the Minutes. The motion passed.

Approve the Minutes

3 ITEMS REFERRED FROM COMMON COUNCIL

3a [01551](#) Accepting the Report of the Board of Estimates Subcommittee on Tax Incremental Finance (TIF).

Sponsors: Mayor Cieslewicz and Common Council By Request

Attachments: BOE TIF Policy Report 2005.doc, Questions to Consider.pdf, Reso2001.pdf, TIF Object & Policies 2001.pdf, Excerpts from WI TIF.pdf, EDC Comments 08-08-2005.pdf

This matter was Return to Lead with the Recommendation for Approval to the BOARD OF ESTIMATES. The motion passed.

Return to Lead with the Recommendation for Approval to the BOARD OF ESTIMATES

3b Smoking Ban
Smoking Ban Public Comments

The Commission heard testimony from 19 people, 12 favoring the repeal of the ban and 7 against the repeal. Below is a summary of all registrants' positions.

- 1. Paul Uebelher of 34 Riverside Drive, Madison 53704. Opposed to all three resolutions from the Common Council.*
- 2. Maureen Busalucchi of Smoke Free Wisconsin, 401 Wisconsin, Ave, Madison 53717. Opposed to all three resolutions referred to the EDC from the Common Council. Sited several public health issues to consider. A copy of her public comments is*

attached.

3. Mark Deadman of 3622 Alpine Road, Madison, WI 53704 representing Busse's Markway Tavern stated that his July sales were down 41%, August down 20%. They have 7 total employees, 3 FTE. 85% of his customers smoke. It is not possible to reinvent the neighborhood bar business plan. There is depreciating value in the inability to operate a successful bar. He may have to convert his building from a business to a 2-flat residential unit. He would like the ban repealed.

4. Patty Tervick of 124 Georgiana Circle, Madison, WI 53716 representing the Buckeye Inn at 4420 Buckeye Road. July sales at the Buckeye Inn are down \$13,000, August is down \$16,000. FTE employees are down to 33 hours a week. PTE are down in scheduled hours as well. Their sales breakouts are 18% food, 82% liquor. City reneged on the original deal with taverns in 2004 when a total ban was adopted. Wants the ban repealed, does not support the referendum since it is non-binding.

5. Nancy Michaud of 2112 Main Street, Madison, WI 53704. Did not speak but is opposed to all three resolutions.

6. Rachelle Greller of 3210 Heatherdell Lane, Madison, WI 53713. Did not speak but is opposed to all three resolutions.

7. David Ahrens, 1821 Rutledge Drive, Madison, WI 53704. Presented charts on Bar Revenue impacts from smoking bans from the State of California, New York City, and Mesa Arizona. Supports the continued ban and opposes all three resolutions.

8. Travis Julius of 2610 E. Johnson Street, Madison, WI 53704 representing the Sandlot Bar and Grill at 301 North Street, Madison, WI 53704. The bar was originally purchased and set up by Michael O'Brien of Jingles. The bar was later turned over to Mr. Julius after 2 years of operation per their original agreement. The Sand Lot Bar's revenues are down 12-15% this summer. Pool and Dart Teams are all gone. Will have to become all food oriented in order to stay in business. Will be cutting waitress and cook staff. He is also worried that he may not qualify for the hardship exemption. Per later discussions, he would qualify for the exemption as proposed in Resolution 01881.

9. Carousel Andrea Bayrd of 1715 Hoyt Street, Madison, WI 53726 representing Smoke Free Wisconsin stated that this is a work-place issue and wanted everybody on the EDC to ask themselves what is the cost of a human life. Ms. Bayrd also represents Tobacco Free Dane County. She stated several health benefits to the smoking ban. She was opposed to all three resolutions.

10. David Wiganowsky of 3363 Burke Road, Sun Prairie, WI 53590 representing Wiggies Bar on Aberg Avenue. Monona Bars are not leaving Monona for Madison's smoke free bar environment. During July, Wiggies is down 33.9% bar sales, down 11.1% in food sales, down 70% in game sales, down 14% in staff, and down 50% in officer salaries. During the summer, he has changed his food prices and had beer specials to try and combat the downturn. During August, he is down 34%% in Liquor sales, up 11% in food sales, down 77% in game sales, down 18.% in staff cuts, and down 73.9 in officer salaries. Since sales have been down in the summer, and with bills staying the same leads to even higher profit losses. Mr. Wiganowsky left several articles on second hand smoke facts, an article about the closing of bars in the Mall of American (MN) due to smoking bans, a 16 page report from across the US and Canada that profiled business impacts from smoking bans, and several bills and financial statements for Wiggies Bar document changes in his business. Mr. Wiganowsky would like the ban repealed.

11. Alan Tedeschi of 1725 Elka Lane, Madison, WI 53704 spoke on behalf of the Villa Tap. He has owned Villa Tap for 6.5 years. July and August sales are both down 20%, Customers are going to Westport bars. He has already laid-off one employee. There has been a 40% reduction in wages due to decreased sales. 90% of his bar's sales come from liquor. 10% from food. Mr. Tedeschi presented several financial statements documenting this down turn in sales. Mr. Tedeschi also presented a letter from the United Food and Commercial Works Union, Local 538 calling for an immediate repeal of the City's smoking ban. Mr. Tedeschi would like the ban repealed.

12. Mr. Terry L. Olson of N4370 Allan Road, Portage, WI 53901 spoke on behalf of the Northside Inn at 1026 N. Sherman Avenue. Sales are down 47% since the smoking ban. It is a good thing they own their property because they could not afford to pay the lease under the current ban situation. Mr. Olson would like the ban repealed.

13. Mr. Robin Goldberg of 13 Atlas Court, Madison, WI 53714 is the Owner of Dreamlanes. 40% of his customers smoke. Since the ban, Dreamlanes has lost 43 bowling teams to other leagues. 1 team equals about \$3000 in sales. July is down 57%. August is down over 50% as well. Bowlers want smoking room as they can't go outside of the building to smoke with bowling shoes on. There are 25 bowling centers in Dane County, three of which are in Madison. Mr. Goldberg presented a letter from the State Bowling Association that said with the smoking ban in place, they would not return to Madison for their state bowling tournament. Letter attached. Mr. Goldberg would like to see the ban repealed.

14. Michael Caspersen of 1902 Bartillon Drive, Madison, WI 53704 is part owner of the Sports Pub. This is the bar the City relocated to the MATC area to accommodate the East Transfer Station for Madison Metro. Since the smoking ban, pool, darts and jukebox sales are down 75%. They have had to cut health care benefits from 100% to a cost share of 50%. Opening Badger Game last Saturday had only five tables when you normally have to arrive 2 hours before game time to get a seat. Mr. Caspersen would like to see the ban repealed.

15. Jim Klinzing of 5404 Raywood Road, Madison, WI 53713 is the Owner of South Bay Lounge and Grill. His summer sales for July and August are down 18-19%. Sales during football games are down 41%. Mr. Klinzing presented charts and diagrams documenting sales history for South Bay Lounge and Grill over the past 6 years, broken out by month. He would like to see the ban repealed.

16. Catherine Callaway of 109 Meadowlark Drive, Madison, WI 53714 is co-owner of the Sports Pub. She has lost 46,000 in the last 2 months. Catherine and her son have not taken a salary in two months. She is a huge supporter of non-profits, schools, churches and the National Guard in time and money. She will not be able to do such things under the current ordinance. She wonders how the city is going to help her make up for her current financial loss. Fitchburg is going to give businesses incentives to be smoke free. What's Madison doing? She would like to see the ban repealed.

17. Scott Toomey of 5313 Kuamme Lane, Madison, WI is a bartender at South Bay Lounge. He is against the referendum as ED policy should not be set by referendum. He is against the hardship resolution as 10% down for one bar may not be the same financial hardship as 10% for another bar. South Bay Lounge must close early 75% of the nights since the ban went into place. He used to receive \$100-140 per night in tips. Now he receives \$60-70 per night in tips.

18. Ryan Sheahan of 226 Randolph Drive #209, Madison, WI 53717 does not support any of the resolutions presented. He would like the ban to stay in place.

19. Kelly Jordan, Jordan's Big 10 Pub, 1330 Regent Street, Madison, WI would like the ban repealed.

20. Jolene Stitz of 1513 Glacier Hill Drive, #1, Madison, WI 53704

21. Vicki Stauffer of 6304 Ford Street, Monona, WI 53716

22. Tana Feiner of 24 N. Webster Street, Apt 1A, Madison, WI 53703

3b1 [01880](#)

Establishing an advisory referendum on Madison's Smoking Ban.

Sponsors: Zachariah Brandon, Lauren Cnare, Isadore Knox, Jr., Larry Palm and Paul J. Van Rooy

Attachments: 01880 registration statement.pdf

Still: City should consider an incentive based approach, i.e. carrot versus stick. City might consider lifting the ban, then crafting an incentives program. They could hold special meetings, draft incentives in the meantime, and send an EDC report to the CC.

Can we get our hands on all taverns/bars/bowling alley/volleyball data in the city for this report? Can DOR compile sales tax data by SIC code for July and August? (sales tax payments are due the 20th of the month so currently only July data is available). Why are the edges so affected, or the North and East sides of Madison? Bars versus restaurants? How can we address this?

Bugher moved that the EDC go on record as opposed to all three resolutions as presented, but strongly urge the Common Council, City Staff and the Mayor's Office to create an incentive program to assist negatively affected business establishments in Madison to ease the strain. Seconded by Clarke.

Discussion:

Gleason: Can we add "emergency assistance" to the motion?

Slone: Many establishments are loosing 1000s of dollars per month, what does the city have in resources to assist with this loss?

Still: Fees, marketing pieces to get the people back? Also, we should add to the motion that "we should examine fee-based regulatory and marketing incentives" to help these establishments in Madison

Gleason: We need to help bring back customers to address the current impacts. Can we request staff to do specific research?

Bugher: Can we help design a program that is more focused? Help with marketing? Look at short and long term patterns?

Clarke: This appears to have a much bigger impact than anticipated...but we don't have big picture data.

Clear: Thinks marketing assistance will have the biggest impact. CVB would probably be supportive and helpful with this.

Final Motion with Still's friendly amendment: The EDC is opposed to all three resolutions modifying the current ban on smoking but the EDC strongly urges the Common Council, City Staff and the Mayor's Office to create an incentive program, focusing on fee-based regulatory and marketing incentives, to assist Madison business establishments negatively affected by the current smoking ban. A roll call vote was taken. Ayes: Slone, Gleason, Still, Clarke, Clear, Kauten, and Bugher. Nays: Brandon

A motion was made by Bugher, seconded by Clarke, to Return to Lead with the Recommendation for Denial to the Health Department. The motion passed by the following vote:

Return to Lead with the Recommendation for Denial to the Health Department

Excused: Jenkins and Falk

Aye: Gleason, Slone, Clear, Erlanger, Still, Bugher, Clarke and Kauten

No: Brandon

3b2 [01881](#)

Creating Section 23.05(7)(f) of the Madison General Ordinances to create a hardship exemption to the smoking regulations for taverns which meet certain requirements.

Sponsors: Zachariah Brandon, Larry Palm, Lauren Cnare, Paul J. Van Rooy and Isadore Knox, Jr.

Attachments: 01881 registration statement.pdf

Still: City should consider an incentive based approach, i.e. carrot versus stick. City might consider lifting the ban, then crafting an incentives program. They could hold

special meetings, draft incentives in the meantime, and send an EDC report to the CC. Can we get our hands on all taverns/bars/bowling alley/volleyball data in the city for this report? Can DOR compile sales tax data by SIC code for July and August? (sales tax payments are due the 20th of the month so currently only July data is available). Why are the edges so affected, or the North and East sides of Madison? Bars versus restaurants? How can we address this?

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Excused: Jenkins and Falk

Aye: Gleason, Slone, Clear, Erlanger, Still, Bugher, Clarke and Kauten

No: Brandon

3b3 [01985](#)

Amending Sections 23.05(1) and 23.05(3)(c), repealing Sections 23.05(3)(s), (t) & (u) and amending Section 23.05(7) of the Madison General Ordinances to eliminate prohibition of smoking in certain public, non City-owned places.

Sponsors: Santiago Rosas, Jed Sanborn, Michael E. Verveer and Paul E. Skidmore

Attachments: 01985 registration statement.pdf

Bugher moved that the EDC go on record as opposed to all three resolutions as presented, but strongly urge the Common Council, City Staff and the Mayor's Office to

create an incentive program to assist negatively affected business establishments in Madison to ease the strain. Seconded by Clarke.

Discussion:

Gleason: Can we add "emergency assistance" to the motion?

Slone: Many establishments are losing 1000s of dollars per month, what does the city have in resources to assist with this loss?

Still: Fees, marketing pieces to get the people back? Also, we should add to the motion that "we should examine fee-based regulatory and marketing incentives" to help these establishments in Madison

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Excused: Jenkins and Falk

Aye: Gleason, Slone, Clear, Erlanger, Still, Bugher, Clarke and Kauten

No: Brandon

4 PRESENTATION/DISCUSSION OF THE REGIONAL COLLABORATIVE

Defer to next meeting.

Defer

5 PRESENTATION ON PROPOSAL TO CREATE DANE COUNTY FOOD COUNCIL

After the public testimony, the EDC moved to item 5 on the agenda to allow Mr. Kyle Richmond, Dane County Superintendent, to speak on behalf of the Dane County Food Council.

Mr. Richmond presented several handouts to the EDC documenting the need, timing, interest, and support for the Dane County Food Initiative. His group is looking for financial assistance. They are trying to establish a County-wide, maybe larger, Food Council. This organization has been involved in CAFF and other food initiatives. Support from the City and County are paramount. Forming this council will allow for the

organization to ask the Madison Metropolitan School District (MMSD) to invest in local foods and goods. They need this entity created to receive grants and direct policy. Asked the EDC if the city could fund and/or staff a food council position. Chairman Bugher thanked Supervisor Richmond for his patience and presentation. No action was taken.

6 MAYOR'S RESPONSE TO THE EDC REPORT

Defer to next meeting

Defer

7 ALDER'S REPORT

No report.

8 CHAIR'S REPORT

No report.

9 STAFF REPORT

No report.

10 PUBLIC COMMENT

No additional public comment.

11 ADJOURNMENT

Meeting adjourned at 9:30 p.m.