



June 25, 2020

Dear Mayor Rhodes-Conway,

Thank you for the opportunity to follow up on the conversations that representatives of the Madison Public Market Foundation had with you on May 15-17, 2020 regarding significant potential changes in City support and funding designated for the Public Market, as well as the immediate halting of City staff work on the Market project. We appreciate your offer to engage with us in a collaborative approach to finding solutions during these unprecedented, highly challenging times. By working together in a spirit of collaboration, transparency, and creativity, we are committed to finding ways to maintain our collective commitments to the Madison Public Market and keep this important project moving forward.

The core mission of the Madison Public Market is equity-based economic development. As an economic development project, the Market is uniquely positioned to quickly provide jobs and advancement opportunities to a cohort of minority and female entrepreneurs. The Market emphasizes equity through entrepreneurship and is already being embraced as a place in Madison where businesses that are owned and operated by people of color can successfully launch their enterprises. We believe in leveling the playing field for all entrepreneurs, which has been at the core of every decision we make. We also are committed to facilitating the Market's unique role as a welcoming, inclusive and vibrant gathering place for all of Madison's communities.

The Public Market Foundation was formed in response to the City's approval of the Public Market Business Plan, which directed the creation of a non-profit partner. The Foundation then went through a process to be formally selected by the City as the fundraising and operating entity for the project. Our partnership was codified with the Collaboration Agreement that was approved by the City and the Foundation Board, and formalized and signed in 2018.

Through a series of 20+ resolutions, the Common Council approved the funding and implementation of the Public Market Business Plan. The Foundation has fulfilled its commitment to raise \$3 million for the project, built a strong volunteer Board of Directors, led a vendor selection process, developed a brand and marketing strategy, worked with City staff on the design process, and engaged the community at large to create a strong foundation for a successful Market.

We recognize that we are living in uniquely difficult times and that the City needs to reassess all of its financial commitments. Likewise, the Public Market Foundation is engaged in planning to adjust timeline expectations, and the business plan for the Market. However, we remain committed to following through on the project, upholding our commitment to our Collaboration Agreement with the City, and working with you to find solutions to advance the project and finally bring the long-awaited Madison Public Market to life during your tenure serving as Mayor of Madison.

We propose a process for working with the City to take a fresh look at the project and work together to find creative solutions tailored to these uncertain times. We have identified at least two options to discuss and consider as we collectively seek the best path forward.

Option 1: Maintain Course – Our preferred option is to stay on track relative to our partnership with the City of Madison. The Public Market has been in the works for a long time and we would strongly prefer to see it keep moving forward on its current schedule. We look forward to working with you to do whatever we can to help make this scenario happen, including adjusting the business plan and funding strategy, if needed. For example, we have begun promising discussions with the Chicago EDA office to access CARES Act or Dane County Disaster Supplemental funding. EDA funds could serve as an alternative to New Market Tax Credits or other funding sources.

Option 2: Restructure the ownership and operating model – Based upon the Business Plan and Implementation Strategy documents that were approved by the Common Council, the current model is for the City to continue its ownership of the Public Market Building and for the Foundation to operate the market through a master lease and/or operating agreement. We are willing to consider a strategy that gives more autonomy to the MPM Foundation and transfers ownership of the Fleet Building to the Foundation. The property transfer could be modelled similarly to the City's agreement with the Bayview Foundation, which describes the required use of the site for a public good, and gives the City right of first refusal, if the Bayview Foundation sells the property or changes the terms of the use. If the City were to transfer ownership of the Fleet Building to the Madison Public Market Foundation, we would need to work through a variety of issues including the city refueling operations, the MPD evidence building, the required storm water needs of the site, the code compliance of the existing structure, etc.

We believe it is important to note that, at present, the City's capital budget includes the Madison Public Market, and this commitment is reinforced by numerous Council Resolutions authorizing and directing next steps for the project's advancement. Until this official city policy changes, we are operating under the assumption that the project is moving forward as planned. We believe any substantial change in direction would require the following:

- 1) **Update the Equity Analysis** – We will need to update the equity analysis in order to evaluate the equity-related ramifications of any change in plans for the project. The

Public Market project has been shaped by a commitment to support diverse entrepreneurs, some of whom have staked their futures on the dream of launching their enterprises in the market. We need to consider the impacts of any substantial change in plans in terms of the equity impacts.

- 2) **Engage the PMDC** – The Public Market Development Committee is the official city body tasked with guiding the implementation of the project. The Committee typically meets monthly but has not met since February 2020. Any change in course requires that the PMDC has the opportunity to meet and discuss next steps with the project in an open, public meeting. The PMDC is the public forum to discuss the project and needs to meet before decisions are made.
- 3) **Engage Vendors and *MarketReady* participants** – The Madison Public Market has substantially supported and nurtured a diverse group of entrepreneurs who have set their sights on the public market as a future home. We need to have a robust conversation with this vendor community about any possible changes to the current plan.
- 4) **Engage donors** – 175 community members and organizations have pledged nearly \$3 million to the Public Market project, based upon the City’s clear commitment to the project through budget allocations and policy decisions. These donations are in jeopardy if the project scope and/or timeline is changed significantly. It’s very important that we engage donors in an honest dialogue about the path forward.
- 5) **Amend planning documents** – The Public Market is identified in the City’s Comprehensive Plan and the Emerson East/Eken Park/Yahara Neighborhood Plan. These planning documents need to be amended if the Public Market plans are to change. That process should include engaging with the community and seeking input.
- 6) **Amend Collaboration Agreement** – The relationship between the City and the Foundation is established by our Collaboration Agreement, which was approved by the Common Council and the Madison Public Market Foundation Board. If we are changing the commitments to collaboration, we need to renegotiate that agreement.

From the beginning, the City and the Foundation have operated in good faith to maintain an open, transparent, and collaborative approach to advancing this important project. Again, we recognize and acknowledge the difficulties, both near and long term, triggered by COVID-19. We are ready and willing to work with you to address these challenges, while maintaining our joint commitment to bring the Madison Public Market to life for the benefit of our community.

We look forward to continuing our partnership with you and the City of Madison to find the best path forward. We request a meeting with you very soon to engage in this conversation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jamaal Stricklin', with a long horizontal line extending to the right.

Jamaal Stricklin

President, Madison Public Market Foundation Board

On behalf of the entire Madison Public Market Foundation Board

Sujhey Beisser

Laura Heisler

Rebecca Prochaska

Karen Crossley

Rachel Kerr

Anne Reynolds

Victoria Davis

Larry Palm

Leslie Watkins

cc:

Alder Syed Abbas

Members of the Madison Common Council