



City of Madison

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

Wednesday, September 16, 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 5:03 p.m.

Present: 8 - Rebecca Kemble; Craig P. Stanley; M. Meghan Blake-Horst; Mark R. Greene; Patricia (Pat) A. Schramm; Matthew C. Younkle; Steve King and Denise DeMarb

Excused: 1 - Peng Her

Craig Stanley arrived at 5:10 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

APPROVAL OF MINUTES

A motion was made by DeMarb, seconded by Schramm, to Approve the Minutes of the July 15, 2015. The motion passed by voice vote.

PUBLIC COMMENT

Speakers will wait until their item comes up to speak.

DISCLOSURES AND RECUSALS

None.

DISCUSSION ITEMS

ROLLCALL @ 5:10 p.m. - Craig Stanley arrives.

Present: Megan Blake-Horst, Pat Schramm, Mark Greene, Matt Younkle, Alder King, Alder Kemble, Alder Demarb, Craig Stanley
Excused: Peng Her

1. [40087](#) Cooperatives

Anne Reynolds, Executive Director of the university of Wisconsin Center for Cooperatives and Kevin Gundlach, President of South Central Federation of Labor

began their presentation on Cooperatives. They said Madison has the highest density of cooperatives in the country. Cooperatives are community asset building and focus on equity. There is no regional or local data on cooperatives in the Madison area; only state wide data. Some cooperatives have pooled benefit packages; this is a major benefit to their members.

Mr. Mikolajewski explained the proposed 2016 City budget has \$600,000 to capitalize a new cooperatives program. The Common Council will approve the cooperative program guidelines.

2. [39668](#)

Accepting the report and recommendations of the Housing Strategy Committee - Market Rate Rental Report.

A motion was made by Kemble, seconded by DeMarb, to Return to Lead with the Recommendation for Approval to the HOUSING STRATEGY COMMITTEE. The motion passed by voice vote.

Matt Wachter, Housing Initiatives Specialist, presented the 2015 Biannual Market Rate Housing Report. The Affordable Housing Report was presented to the EDC six months ago. He noted the following trends: increase in apartment construction, higher income of renters, Millennial and Baby Boomers have smaller households and are renting apartments, and home ownership is decreasing. Madison's apartment vacancy rate is 2% and the Country's apartment vacancy rate is healthier at 5 %. The report calls for taking existing tools and lining them up to be used for strategic placement of new housing along transit lines, near grocery stores and near other amenities.

3. [39140](#)

Amending Sections 9.13(5)(c) and 9.13(6)(h)3.a.iv. of the Madison General Ordinances to create a per-square-foot license fee for all sidewalk cafés and increasing the license fees for Mall/Concourse sidewalk cafes in the State Street Mall/Capitol Concourse Vending Area.

Recommend approval of the Alternate Resolution, with the requirement that all increased fee revenue be used for such activities as improving the downtown pedestrian experience, additional support of Mall Maintenance, and creating/providing programming for State Street and the Capitol Square.

A motion was made by DeMarb, seconded by King, to Return to Lead with the Following Recommendation(s) to the VENDING OVERSIGHT COMMITTEE:

Recommend approval of the Alternate Resolution, with the requirement that all increased fee revenue be used for such activities as improving the downtown pedestrian experience, additional support of Mall Maintenance, and creating/providing programming for State Street and the Capitol Square. The motion passed by the following vote:

Ayes: 5 - Mark R. Greene; Patricia (Pat) A. Schramm; Matthew C. Younkle; Steve King and Denise DeMarb

Noes: 3 - Rebecca Kemble; Craig P. Stanley and M. Meghan Blake-Horst

Excused: 1 - Peng Her

Discussion:

Mr. Mikolajewski explained the two handouts:

1. The original, Version 1 with a fiscal note
2. The Alternate Version with the wrong fiscal note on it

Ms. Yessa said the fiscal note for the Alternate Resolution is not completed yet.

There are three components to each resolution:

1. Both resolutions move to charge for sidewalk café licenses based on square foot of sidewalk café space instead of per chair.
2. Both resolutions set a square foot rate/year for sidewalk cafes out of the Downtown at \$3 per square foot.
3. The original resolution increases the square foot rate initially at \$3 per square foot increasing to \$5 per square foot and in 2018 vending season to increase it to \$13 per square foot. The Alternate Version increases the square foot rate in 2015 to \$4.50 per square foot, in 2016 increasing the fee to \$4.50 per square foot, in 2017 to increase to \$5 per square foot and in 2018 increase to \$5.15 per square foot.

Registered speaker Greg Frank supports the Alternate Resolution. A group of twenty current sidewalk café license holders like the Alternate Resolution. They are philosophically comfortable with a square foot rate license fee. The money collected from the fee increase should go toward Downtown programming and enhancements. Sidewalk cafes enhance the Downtown environment. He uses the sidewalk café for approximately five months each year.

Mr. Mikolajewski noted currently the sidewalk café fees go into the General Fund.

Mr. Frank said if there is no increase in Downtown programming then he would not support a fee increase.

A motion was made by Mr. Stanley, seconded by Ms. Blake Horst, to reject the \$13 per square foot increase in the original ordinance.
The motion passed by voice vote.

A motion was made by Alder Demarb, seconded by Alder King to Return to Lead to the Vending Oversight Committee to recommend accepting the Alternate Resolution.

Mr. Mikolajewski explained staff looked at listed rental rates for interior space, discounted it by months of use and further discounted it because of events and poor weather cancelling the use of sidewalk cafés. From this a formula for the fees was developed.

Alder Kemble disagreed with tying the fees to rent. The sidewalks are public space. She is not ready to vote on this and recommends referral.

Alder Demarb would like more engagement of the stakeholders.

Alder King said this item needs to be acted on at this meeting.

Alder Demarb moved, seconded by Ms. Schramm, to amend the motion to require that all increase fee revenue be used for such activities as improving the downtown pedestrian experience, additional support of Mall Maintenance, and creating/providing programming for State Street and the Capitol Square.

The amendment passed by voice vote.

The amended original motion was passed by roll call vote:

Yes: Mr. Greene, Ms. Schramm, Alder King, Mr. Younkle, Alder Demarb
No: Ms. Blake Horst, Alder Kemble, Mr. Stanley

Excused: Peng Her

6:37 p.m.: Craig Stanley leaves. A quorum is still present.

Present: 7 - Rebecca Kemble; M. Meghan Blake-Horst; Mark R. Greene; Patricia (Pat) A. Schramm; Matthew C. Younkle; Steve King and Denise DeMarb

Excused: 2 - Peng Her and Craig P. Stanley

4. [39927](#) Report of the Allied Drive/Verona Road Area Staff Team: Recommendation to Accept Response to Allied Grocery RFP

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

Registered speaker, Thea Bach representing the Dunn's Marsh Neighborhood Association, spoke in support of the Allied Community Cooperative.

Registered speaker John Bach spoke in favor of the Allied Cooperative.

Registered speaker Jim Lyne spoke in support of this resolution.

Ms. Rohlich explained the original plan was to incentivize development of a full scale grocery store to locate in the Allied neighborhood. Only one applicant responded to the request for proposal for a grocery store in the Allied area.

The Allied Community Cooperative Group's proposal is a little riskier to work with because it is a start-up and has a longer timeframe to implement. They will be supported by existing cooperatives in their start-up efforts. Their proposal calls for a 2,000 square foot grocery store that is able to expand. It is a conservative plan proposal.

5. [39841](#) Resolution approving the State Street Retail District Improvement Grant Program.

A motion was made by King, seconded by Kemble, to Return to Lead with the Recommendation for Approval to the BOARD OF ESTIMATES,. The motion passed by the following vote:

Ayes: 5 - Rebecca Kemble; M. Meghan Blake-Horst; Patricia (Pat) A. Schramm; Steve King and Denise DeMarb

Noes: 2 - Mark R. Greene and Matthew C. Younkle

Excused: 2 - Craig P. Stanley and Peng Her

Ms. Rohlich asked the EDC members to refer to the revised document with changes in red. She explained this program is funded by Tax Increment District (TID) # 32 as long as it is in existence. The amount funded in 2016 is \$300,000. Retailers on State Street cannot afford the same rent as restaurants. This program will offer them forgivable loans. Retailers may apply for funding before reconstruction or during reconstruction.

6. [39143](#) Resolution Establishing the City of Madison Certification Program

A motion was made by DeMarb, seconded by Blake-Horst, to RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER. The motion passed by the following vote:

Ayes: 5 - Rebecca Kemble; M. Meghan Blake-Horst; Patricia (Pat) A. Schramm; Steve King and Denise DeMarb

Noes: 2 - Mark R. Greene and Matthew C. Younkle

Excused: 2 - Craig P. Stanley and Peng Her

Mr. Mikolajewski noted this resolution directs staff to develop this program . After it is developed the program would go to the Common Council for approval. Staff followed up with the Greater Madison Chamber of Commerce (GMCC) to ask for its opinion on this certification program. The GMCC will not take a position on this as it is a voluntary program.

7. [21360](#) EDD Director Report

Mr. Mikolajewski said the Common Council will have a special meeting on September 29th to only discuss the Judge Doyle Square proposal.

8. [17637](#) EDC Chairperson's Report

Chairperson Greene thanked the EDC members for staying later than usual to get through this agenda.

9. [27862](#) Introduction of New Items from the Floor

Alder Kemble asked when land banking will be discussed at the EDC. Ms. Yessa said it will be on the October or November agenda.

ADJOURNMENT

A motion was made by King, seconded by Blake-Horst, to Adjourn. The motion passed by voice vote.

The meeting adjourned at 7:40 p.m..