

October 13, 2020



Dear Mayor Rhodes-Conway,
City of Madison Alders and
Downtown Coordinating Committee Members -

Attached is the BID operating plan for 2021.

This letter outlines changes to Madison's Central Business Improvement District's (BID's) 2021 Operating Plan. The 2021 Plan varies from earlier year Plans and budgets.

Since the BID's creation, it has been able to substantially supplement its annual assessment funding with revenue growing from \$50,000 in earlier years to over \$300,000 generated from events, map sales and grants. This revenue enabled the BID to hire needed personnel to organize events, expand its Ambassador program and undertake a robust calendar of events that contributed to downtowns vitality.

The impact of COVID-19 and protests have had a significant impact on our revenue, our sponsorship opportunities and our ability to carry out any activities that are not virtual or digital. Just like the City of Madison and many small businesses, the BID is having to make many hard choices.

The 2021 BID budget anticipates a potentially greater reduction in revenue given the unknown end to COVID-19, a potential for continued downtown protests, reduced partner funding and the possibility that property owners will not be able to make timely tax and assessment payments. Property owners are faced with increased vacancies and unsure tenants. Business owners are not sure they will be able to make lease payments.

The BID's five areas of focus will remain the same in 2021. But the level to which we are able to generate additional funding for our activities is uncertain.

With so many unknowns related to the economic condition of businesses and property owners, we felt it prudent to develop a conservative 2021 budget. As circumstances allow and funding exists, the BID will resume its pre-2020 activity levels.

Sincerely,

Tiffany Kenney
Executive Director
Madison's Central Business Improvement District