



# City of Madison

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

## Meeting Minutes - Approved ECONOMIC DEVELOPMENT COMMITTEE

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Wednesday, December 18, 2013

5:00 PM

215 Martin Luther King, Jr. Blvd.  
Room 300 (Madison Municipal Building)

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### CALL TO ORDER / ROLL CALL

The meeting was called to order @ 5:07 p.m. by Chairperson Boucher.

**Present:** 8 -

Mark Clear; Victoria S. Selkove; Sandra J. Torkildson; Mark R. Greene;  
Joseph W. Boucher; Edward G. Clarke; Matthew C. Younkle and Scott J.  
Resnick

**Absent:** 1 -

Alfred L. Zimmerman

**Excused:** 4 -

Peng Her; Julia Stone; Patricia (Pat) A. Schramm and John Strasser

**Alder Strasser arrived @ 5:14 p.m.**

**Also Present:** Aaron Olver, Director of Economic Development; Mathew Mikolajewski, Manager of Office of Business Resources; Dan Kennelly, Office of Business Resources; Peggy Yessa, Office of Business Resources; Jeanne Hoffman, City Facilities and Sustainability Manager; Alder David Ahrens, Alder Anita Weier

### APPROVAL OF MINUTES

A motion was made by Clear, seconded by Selkove, to approve the minutes of the November 20, 2013 meeting. The motion passed by voice vote.

### PUBLIC COMMENT

Comments were taken during agenda item #2.

### DISCLOSURES AND RECUSALS

None.

### DISCUSSION ITEMS

- 1 [32557](#) Reminder that all members of City of Madison committees, commissions, or boards must file a Statement of Interests form with the City Clerk's Office by January 7, 2014.

Ms. Yessa reminded EDC members to file their statement of interests form with the City Clerk's Office. Ms. Yessa sent EDC members who had not yet filed their statement an email earlier in the week.

2      [32255](#)

Creating Section 29.047 of the Madison General Ordinances to create an energy benchmarking requirements for certain types of buildings in the City of Madison and amending Sections 1.08(3)(a) and (4) to establish a bail deposit for violation of this requirement that is enforceable by the City Engineer.

**A motion was made by Clear, seconded by Strasser, to Refer to the ECONOMIC DEVELOPMENT COMMITTEE meeting of 1/15/2014. The motion passed by voice vote.**

Ms. Sherrie Gruder, Sustainable Design Specialist at the UW Extension, began a PowerPoint presentation about the need to measure energy usage in order to manage it. She explained the EPA PortfolioManager software, which can be used at no charge to monitor building energy usage.

**Alder John Strasser arrived at 5:14 p.m.**

**Present:** 9 -

Mark Clear; Victoria S. Selkove; Sandra J. Torkildson; Mark R. Greene; Joseph W. Boucher; Edward G. Clarke; Matthew C. Younkle; Scott J. Resnick and John Strasser

**Absent:** 1 -

Alfred L. Zimmerman

**Excused:** 3 -

Peng Her; Julia Stone and Patricia (Pat) A. Schramm

Alder Ahrens continued the presentation and noted information on commercial building energy usage is missing.

Jeanne Hoffman, City of Madison Facilities and Sustainability Manager, said her office will run this program and provide data management and business assistance. This ordinance comes into effect over a number of years. In 2014 it will cover all City-owned buildings. In 2015-16 it will cover privately owned buildings over 15,000 square feet in size. This program requires the energy data to be verified by professionals every three years. The US Bank building, owned by ULI, has saved \$250,000 in one year by benchmarking its energy usage.

Alder Clear asked if other cities the size of Madison have a similar ordinance, if they include extra programs and why a building size of 15,000 square feet was selected as a threshold.

Alder Ahrens said Minneapolis has 350,000 residents and has this type of ordinance. Madison's proposed ordinance does not have extras like Milwaukee's Me2 program for energy rebates. He said the size of buildings required to participate in these programs varies from city to city.

Ms. Gruder said the committee looked at square footage and the number of buildings in Madison. There are approximately 1,500 buildings over 15,000 square feet in Madison.

Vice Chairperson Selkove said tenants might benefit most from this program

because they pay the utility bills. Is it used for this purpose in other cities?

Alder Ahrens said it is already used in the single family home market.

Ms. Gruder said it gives more information to tenants as they seek buildings that are sustainable.

Vice Chairperson Selkove said smart businesses already market themselves as energy efficient.

Alder Ahrens said in Madison only 1% of businesses benchmark themselves against others. A comparative view is important. Milwaukee has a low level of participation in their program. We need data to measure and manage.

Ms. Gruder added Focus on Energy is a statewide program with incentives for energy conservation.

Vice Chairperson Selkove said this is important for businesses, however, this ordinance has no resources to help businesses. They can already use the Focus on Energy program.

Ms. Hoffman said the City is already benchmarking its properties. The 2014 City budget has funding to implement the Sustainability Plan.

Ms. Torkildson asked how this information is going to be used. Business owners already know their energy costs. It is more important to tell people about the programs instead of data collection. Business organizations and trade organizations already have this information. Was the money from the Obama stimulus program ever used?

Mr. Greene said this is a heavy-handed tool and businesses need education and to volunteer for a program like this. It is unfriendly to small business.

Chairperson Boucher asked for public comment.

Registered speaker, Delora Newton, representing the Greater Madison Chamber of Commerce, said the Chamber supports businesses conserving energy. They are against the implementation of this ordinance. They are concerned about making the data public and the cost to the business of compliance. This may unfairly help competitors and the use of the spaces may change over time.

Registered speaker John Perino, is Vice President of the Regal Beloit Corporation. He supports this ordinance. His company manufactures energy efficient motors. Motors consume 40% of a building's energy usage.

Mr. Younkle asked Mr. Perino how he feels about making his building's energy usage public information. He supports it in aggregate.

Mr. Younkle asked if he would be comfortable if the public had the energy usage of each building.

Alder Strasser asked if his company were in the City of Madison would they voluntarily join this program.

Mr. Regal said his company already does this as a good corporate citizen.

Registered speaker Patrick Hughes, representing the National Electrical

Manufacturers Association, spoke in support of this proposed ordinance. This organization has over 400 electrical manufactures nationwide as members said this is similar to other cities' ordinances. He noted the Chicago Better Building Challenge has 14 buildings participating in it.

Registered speaker Phil Salkin, representing Realtors Association of South Central Wisconsin, spoke in opposition to this proposal. He said it needs research and commercial real estate brokers already work with utilities and can track energy usage monthly. It will cost more than a few hundred dollars a year to comply with this proposed ordinance. It is not easy to compare multi-tenant building energy usage. The ordinance should start as a voluntary pilot program.

Alder Resnick asked if any of his clients in other cities have experience with this type of ordinance.

Mr. Salkin has Midwest clients who are careful with their energy usage.

Registered speaker Carol Terrell is secretary of Capital Region Advocacy Network for Environmental Sustainability (CRANES). She supports this proposed ordinance. The City of Madison is a leader in this by monitoring energy use in public buildings. The rate of participation would be small if the program is voluntary. Dane County has budgeted money for the Healthy Skys Program in 2014.

Ms. Torkildson asked if any research has been done on other cities and if the Focus on Energy dollars have been used.

Ms. Terrell does not know.

Registered speaker Susan Schmitz, President of Downtown Madison Incorporated (DMI), spoke in opposition to this proposed ordinance. She agrees with the Greater Madison Chamber of Commerce and Mr. Salkin. She supports benchmarking. It would be better if major property owners and the utilities meet and discuss energy usage. Local government should partner with businesses. This is heavy handed.

Vice chairperson Selkove asked for clarification on her stand.

Ms. Schmitz said she is for benchmarking that is not mandatory.

Registered speaker, Richard Pearson, spoke in support of this ordinance. He is a licensed professional engineer in ten states and has worked in energy management since 1975. The EPA's Portfolio Manager software is not onerous it is simple. The US Bank building owners and American Family have spent a significant amount of money on energy use reduction.

Mr. Younkle asked if, across the country, is the data kept private?

Mr. Greene asks why businesses didn't do this before?

Mr. Person said businesses are busy and do not know what they could do.

Mr. Clarke said it does not make sense to say that companies don't already do this. What evidence do we have that businesses don't already use another system to track this information. There is no evidence that businesses are doing a bad job now.

Registered speaker Gary Peterson, supports this proposed ordinance and is a believer in sustainability. It will make Madison look like it is driving people away. Benchmarking and education are good. The City should partner with developers and have no punishments.

Registered speaker, Taylor Walker, works for Energy Center of Wisconsin and

supports this ordinance. Madison should lead the nation in this. The ordinance will create jobs and promote better health.

Registered speaker Tyler Huebner, supports this ordinance. He is a Madison resident and former EPA consultant on the West Coast. The California ordinance applies to the entire state and buildings over 5,000 square feet.

Mr. Younkle asked about a control group and if 2.5 % energy reduction is the benchmark number?

Mr. Huebner said for the residential properties there is a control and a non-control group. The EPA's program adjusts for seasonality. Ms. Gruder said 2.5% was a median number.

Ms. Torkildson asked if all of the energy dollars from the Obama initiative were used in Madison?

Registered speaker Seth Nowak, representing the Green Apartment Network, spoke in support of the proposed ordinance. There should be a strong emphasis on participation and benchmarking.

Vice Chairperson Selkove asked if it makes sense to continue with the rest of the EDC's agenda at this meeting or next month?

Chairperson Boucher asked to defer items 3 -11. Mr. Olver said the rest of the agenda is not time sensitive.

Registered speaker, Kathy Walter, represents Clean Wisconsin and is in support of this proposed ordinance. She said buildings have intensive energy usage and this ordinance closes information gaps.

Registered speaker, Don Ferber, represents the Four Lakes Group Sierra Club, and supports this ordinance. This is a statement about who Madison is and what it is about. We can't ignore climate change and need measurements.

Registered speaker Winston Estis, represents the Willy Street Coop. and supports this proposed ordinance. Willy Street Coop has used solar thermal and preheated water for energy conservation. Tracking energy usage promotes education. It can be complex.

The following people registered in support of the proposed ordinance but did not speak:

- Judy Skog
- Sean Hyland, representing American Family Insurance Company.

The following people registered in opposition of the proposed ordinance and did not speak:

- James Meicher
- Terry Nelson

Chairperson Boucher referred to the staff memo, in particular options A-F.

Alder Clear asked to re-refer this item for more discussion.

Mr. Greene said the problem with the ordinance is in the how to do this.

Vice Chairperson Selkove asked for more specific information for the next meetings discussion.

Alder Clear asked for information on participation in other cities with this type of ordinance and if control groups were used. He asked if lack of action this meeting by the EDC will delay the action on this proposed ordinance.

Ms. Hoffman said the Sustainability Committee will not act until they hear back from the Economic Development Committee.

Alder Resnick would like a matrix of other cities' requirements, such as square footage, compliance level and fines.

Alder Clear asked for data on the Sustainable Building Challenge in Milwaukee.

Mr. Clarke asked for the ease of use of this software. MGE is working on a similar project.

Ms. Torkildson asked if this information is public. Is it at a national level rather than local?

Vice Chairperson Selkove asked if manufacturers in the City would benefit from this ordinance. How many? If the City requires data mining, the City's response needs to be robust. What happened to the stimulus money? What are the next step programs?

**Alder Clear left the meeting at 7:08 p.m. A quorum was still present.**

**Present:** 8 -

Victoria S. Selkove; Sandra J. Torkildson; Mark R. Greene; Joseph W. Boucher; Edward G. Clarke; Matthew C. Younkle; Scott J. Resnick and John Strasser

**Absent:** 1 -

Alfred L. Zimmerman

**Excused:** 4 -

Peng Her; Mark Clear; Julia Stone and Patricia (Pat) A. Schramm

EDC members asked for speakers and information at the next meeting from the following organizations or categories:

- MG & E
- Alliant Energy
- Commercial property owners
- Comparable matrix from other cities
- Voluntary versus mandatory programs

**Mark Greene left the meeting at 7:10 p.m. A quorum was still present.**

**Present:** 7 -

Victoria S. Selkove; Sandra J. Torkildson; Joseph W. Boucher; Edward G. Clarke; Matthew C. Younkle; Scott J. Resnick and John Strasser

**Absent:** 1 -

Alfred L. Zimmerman

**Excused:** 5 -

Peng Her; Mark Clear; Julia Stone; Mark R. Greene and Patricia (Pat) A. Schramm

**3**      [32567](#)      **Discussion of City of Madison Protected Classes**

Alder Strasser explained he requested this item be placed on the EDC agenda. He would like to get a sense from the EDC if they want to discuss the economic impacts of declaring unemployed people as a protected class. He reviewed the history of this proposed ordinance. He said the business community did not get to review this proposed ordinance.

Alder Weier is one of the Alders serving on the Equal Opportunities Committee (EOC). She noted there was an employment subcommittee of the EOC which did not act or send comments back to the EOC on this topic. She suggested the EDC and the EOC subcommittee have a joint meeting on this topic.

Alder Strasser said the business community needs to be included. This proposed ordinance needs to be considered from the business perspective.

Alder Resnick apologized for not referring this proposed ordinance to the EDC. It is difficult to add a referral midway through the approval process.

Ms. Selkove said the alders serving on the EDC should have referred this at the Council meeting. The business community attends all committee meetings.

Ms. Torkildson asked if the Chamber of Commerce knew about this proposed ordinance?

Ms. Delora Newton, Executive Vice President of the Greater Madison Chamber of Commerce, did not see this on an agenda until November.

Ms. Selkove asked for clarification that this had been on City agendas for months.

Ms. Newton said yes but she does not check every committee's agendas.

Chairperson Boucher said he wants the EDC to speak on relevant issues. The EDC should have had this on their agenda.

Alder Weier said Alder DeMarb told her employers in her district did look at this issue.

Alder Strasser said there was much miscommunication on this.

Ms. Torkildson said many businesses do not belong to the Chamber of Commerce and DMI.

Alder Weier apologized and said she should have referred it to the EDC.

**Agenda items 4-11 were not discussed.**

**4**      [31606](#)      **Neighborhood Plans**

**5**      [31887](#)      **Judge Doyle Square Update**

- 6      [31880](#)      **Economic Development Strategy**
- 7      [31881](#)      **Local Food Committee Update**
- 8      [17637](#)      **EDC Chairperson's Report**
- 9      [21360](#)      **EDD Director Report**
- 10     [27863](#)      **Upcoming Meetings**
- 11     [27862](#)      **Introduction of New Items from the Floor**

**ADJOURNMENT**

A motion was made by Clarke, seconded by Resnick, to Adjourn. The motion passed by voice vote. The meeting adjourned at 7:37 p.m.