



# City of Madison

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

## Master

**File Number: 61060**

**File ID:** 61060

**File Type:** Resolution

**Status:** Items Referred

**Version:** 3

**Reference:**

**Controlling Body:** ECONOMIC  
DEVELOPMENT  
COMMITTEE

**File Created Date :** 06/19/2020

**File Name:** Downtown Recovery Program

**Final Action:**

**Title:** SECOND SUBSTITUTE - Amending the 2020 Adopted Capital Budget to appropriate \$250,000 for the Downtown Recovery Program and \$250,000 for the Downtown Equity Program by appropriating \$105,000 from the Capital Revolving Loan Fund and transferring \$395,000 in GO Borrowing from various capital projects.

**Notes:**

**Sponsors:** Satya V. Rhodes-Conway and Michael E. Verveer

**Effective Date:**

**Attachments:** 61060 v1.pdf, 61060 v2.pdf

**Enactment Number:**

**Author:** Laura Larsen, Finance Department

**Hearing Date:**

**Entered by:** lveldran@cityofmadison.com

**Published Date:**

### Approval History

Version	Date	Approver	Action
1		Laura Larsen	Approve
2		Laura Larsen	Approve
3		Laura Larsen	Approve

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

- 1 Mayor's Office 06/19/2020 RECOMMEND TO COUNCIL TO ADOPT UNDER SUSPENSION OF RULES 2.04, 2.05, 2.24, & 2.25 - MISC. ITEMS  
**Action Text:** This Resolution was RECOMMEND TO COUNCIL TO ADOPT UNDER SUSPENSION OF RULES 2.04, 2.05, 2.24, & 2.25 - MISC. ITEMS  
**Notes:** 15 Votes Required
- 1 COMMON COUNCIL 07/14/2020 Refer ECONOMIC DEVELOPMENT COMMITTEE Pass  
**Action Text:** A motion was made by Carter, seconded by Abbas, to Refer to the ECONOMIC DEVELOPMENT COMMITTEE. The motion passed by voice vote/other.  
There were 3 registrants in support, and 107 registrants in opposition.  
**Notes:** Additional Referral to Finance Committee
- 2 ECONOMIC DEVELOPMENT COMMITTEE 07/15/2020 Referred FINANCE COMMITTEE 07/20/2020  
**Action Text:** This Resolution was Referred to the FINANCE COMMITTEE  
**Notes:**
- 2 ECONOMIC DEVELOPMENT COMMITTEE 07/15/2020
- 3 FINANCE COMMITTEE 07/20/2020 RECOMMEND TO COUNCIL TO ADOPT (15 VOTES REQUIRED) - REPORT OF OFFICER Pass  
**Action Text:** A motion was made by Carter, seconded by Verveer, to RECOMMEND TO COUNCIL TO ADOPT (15 VOTES REQUIRED) - REPORT OF OFFICER. The motion passed by the following vote:  
**Notes:**  
Ayes: 5 Donna V. Moreland; Barbara Harrington-McKinney; Keith Furman; Michael E. Verveer and Sheri Carter  
Noes: 1 Rebecca Kemble  
Non Voting: 1 Satya V. Rhodes-Conway
- 2 COMMON COUNCIL 07/21/2020
- 

### Text of Legislative File 61060

#### Fiscal Note

The proposed resolution amends the 2020 Adopted Capital Budget to appropriate \$250,000 for the Downtown Recovery Program and \$250,000 for the Downtown Equity Program. These programs will be funded by appropriating \$105,000 in cash reserves from the Capital Revolving Loan Fund and transferring \$395,000 of GO Borrowing from existing capital projects. Under this proposal GO Borrowing will be transferred from the following projects:

- Engineering-Facilities: Horizon List Planning (\$275,000): This was a newly created program in the 2020 Capital Budget. At this time there are no additional projects requiring the use of this funding 2020.

- Library-Neighborhood Library LED Upgrade (\$120,000): This was a newly added project in the 2020 Adopted Capital Budget. Work on this project has not yet begun but will be started in the second half of the year. Additional funding for the project is included in the out years of the CIP.
- The Capital Revolving Loan Fund currently has a balance of \$128,000 of unrestricted and uncommitted funding. Following this appropriation the remaining available balance in this funding source will be \$23,000.

**Title**

SECOND SUBSTITUTE - Amending the 2020 Adopted Capital Budget to appropriate \$250,000 for the Downtown Recovery Program and \$250,000 for the Downtown Equity Program by appropriating \$105,000 from the Capital Revolving Loan Fund and transferring \$395,000 in GO Borrowing from various capital projects.

**Body**

WHEREAS on State Street alone, 70 percent of businesses are locally owned and operated, and 62 percent of businesses are owned by women and people of color; and,

WHEREAS, the COVID-19 shutdown and recent damage has prompted 41 business owners to indicate in a recent survey that they will find it difficult to reopen and could close permanently; and,

WHEREAS, the City of Madison desires to provide financial assistance to existing businesses throughout downtown that were recently damaged as the first step toward promoting a more equitable downtown recovery; and,

WHEREAS, MGO 4.33 has created the “Downtown Recovery Program”; and,

WHEREAS, the City of Madison desires to partner with existing and potential entrepreneurs, especially within the City’s black community and other communities of color, to take an important second step toward promoting a more equitable downtown recovery; and,

WHEREAS, a “Downtown Equity Program,” in partnership with the private sector, can help support new entrepreneurs of color, especially black business owners, to locate downtown; and,

**WHEREAS, the “Downtown Equity Program” shall improve physical access in the State Street corridor through the use of public funds to remove longstanding barriers to accessibility of businesses; and,**

WHEREAS, the “Downtown Equity Program” can build upon the existing community of business owners of color and immigrant business owners already located downtown; and,

WHEREAS, the “Downtown Equity Program” can include the following sub-programs:

- A DowntownReady program patterned off of the successful MarketReady Program related to the Madison Public Market. Under this program, the City would select, via competition, a group of individuals to form a “cohort” that would collaboratively move through the steps of getting their business ready to start or expand, with an eye toward possibly locating downtown. Entrepreneurs selected to be part of the “cohort” would be provided with technical assistance and in some cases small cash grants to help prepare their business plans, line-up financing, prepare legal documents, purchase equipment, etc. At the end of the program, a handful of participants would receive a more substantial cash grant to move

forward with opening. The program would be managed by EDD staff in collaboration with external technical assistance provider(s) selected via RFP.

- Recognizing the rapidly changing COVID-crisis, to the extent that in-person gatherings are permitted, the City could help underwrite pop-up retail opportunities in collaboration with the Central Business Improvement District and individual downtown business owners. These pop-up retail opportunities could be targeted specifically toward black business owners.
- Exploring the feasibility of a DestinationStore in the downtown in recognition that retail has been changing significantly over the past ten years, and will shift in dramatic ways as a result of COVID-19. Some communities have benefited from more organized/curated “pop-up” stores within their commercial districts. Under this scenario, a private company or organization holds a long-term lease or ownership of a commercial space. Rather than rely on a single retail tenant to occupy the space for five or more years, individual retailers rotate through the space on a temporary basis. This creates an ever-changing “DestinationStore” within the downtown to help attract customers to not only this location, but neighboring more traditional retailers. This also provides an opportunity for entrepreneurs to try a downtown location without a significant financial commitment, helping to reduce the barrier to black and other historically underrepresented entrepreneurs downtown. Funding in 2020 could be used to further explore this concept, likely by retaining outside expertise.
- Efforts to support a more robust online platform for both existing downtown business owners and participants in the DowntownReady program. Technical assistance could be provided to assist business owners with improving or creating a business plan with a strong online presence. Funding would be used to retain an outside provider of this technical assistance.
- Other similar efforts identified in partnership with downtown and community-wide business organizations; and,

WHEREAS, the City recognizes the limitations of opening a new business during the current COVID-19 pandemic, and as such, the “Downtown Equity Program” is a forward looking program to the time that entrepreneurs of color can achieve success in a downtown environment filled with students, residents, office workers, and visitors unencumbered by our current health-related limitations; and,

WHEREAS, the newly created programs will be funded through a combination of existing reserves from the Capital Revolving Loan Fund and GO Borrowing from capital projects that have been completed; and,

WHEREAS, the Neighborhood Library LED Upgrade and the Horizon List Planning projects were selected because both projects have GO Borrowing appropriation that is not needed in 2020,

NOW THEREFORE BE IT RESOLVED that the 2020 Economic Development Division Capital Budget is amended to appropriate \$250,000 for the Downtown Recovery Program and \$250,000 for the Downtown Equity Program, Ffunded by Capital Revolving Loan Fund Reserves (\$105,000) and GO Borrowing (\$395,000); and,

BE IT FURTHER RESOLVED that funding will be transferred from the following projects:

- Neighborhood LED Upgrade (\$120,000)
- Horizon List Planning (\$275,000); and,

BE IT FURTHER RESOLVED, that any remaining funds from the Downtown Recovery Program will be re-directed into the Downtown Equity Program; and,

**BE IT FURTHER RESOLVED, that a portion of funding for the Downtown Equity Program shall be designated to accessibility improvements of any space used which does not meet current ADA standards; and,**

BE IT FINALLY RESOLVED that Economic Development Division staff are directed to prepare future Ordinances and Resolutions for each sub-program of the "Downtown Equity Program," each requiring approval of the Common Council.