



City of Madison

City of Madison
Madison, WI 53703
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Master

File Number: 61060

File ID: 61060

File Type: Resolution

Status: Reconsidered
Business

Version: 4

Reference:

Controlling Body: FINANCE
COMMITTEE

File Created Date : 06/19/2020

File Name: Recovery Program

Final Action:

Title: THIRD SUBSTITUTE - Amending the 2020 Adopted Capital Budget to appropriate \$250,000 for the ~~Downtown~~ Recovery Program and ~~\$250,000~~ **\$500,000** for the ~~Downtown~~ Equity Program by appropriating ~~\$105,000~~ from the Capital Revolving-
~~Loan Fund~~ and transferring ~~\$395,000~~ **\$750,000** in GO Borrowing from various capital projects.

Notes:

Sponsors: Satya V. Rhodes-Conway, Michael E. Verveer,
Patrick W. Heck, Sheri Carter and Syed Abbas

Effective Date:

Attachments: 61060 v3_2nd Substitute.pdf, 61060 v2_Substitute.pdf,
61060 v1_Original.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	Refer	FINANCE COMMITTEE	Fail
	Action Text: A motion was made by Carter, seconded by Verveer, to Refer to the FINANCE COMMITTEE,. The motion failed by the following vote:				
	Ayes: 9 Barbara Harrington-McKinney; Patrick W. Heck; Lindsay Lemmer; Michael E. Verveer; Paul E. Skidmore; Syed Abbas; Sheri Carter; Michael J. Tierney and Samba Baldeh				
	Noes: 11 Shiva Bidar; Marsha A. Rummel; Donna V. Moreland; Zachary Henak; Arvina Martin; Tag Evers; Grant Foster; Rebecca Kemble; Keith Furman; Christian A. Albouras and Max Prestigiacomo				
	Non Voting: 1 Satya V. Rhodes-Conway				
4	COMMON COUNCIL	07/21/2020	Place On File Without Prejudice		Pass
	Action Text: A motion was made by Moreland, seconded by Bidar, to Place On File Without Prejudice. There were 8 registrants in support, 118 in opposition. The motion passed by the following vote:				

Ayes: 14 Patrick W. Heck; Lindsay Lemmer; Shiva Bidar; Marsha A. Rummel; Donna V. Moreland; Zachary Henak; Arvina Martin; Syed Abbas; Tag Evers; Grant Foster; Rebecca Kemble; Keith Furman; Christian A. Albouras and Max Prestigiacomio

Noes: 6 Michael E. Verveer; Paul E. Skidmore; Sheri Carter; Michael J. Tierney; Samba Baldeh and Barbara Harrington-McKinney

Non Voting: 1 Satya V. Rhodes-Conway

4 COMMON COUNCIL 08/04/2020

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 ~~\$500,000~~ ~~\$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~~ ~~\$750,000~~ of GO Borrowing from existing capital projects. Under this proposal GO Borrowing will be transferred from the following projects:

- **CCB 4th Floor Remodel: \$277,000**
- **Midtown Police Station: \$276,000**
- **North Side Public Safety Campus Planning: \$197,000**

~~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

THIRD SUBSTITUTE - Amending the 2020 Adopted Capital Budget to appropriate \$250,000 for the ~~Downtown~~ Recovery Program and ~~\$500,000~~ ~~\$250,000~~ for the ~~Downtown~~ Equity Program by appropriating ~~\$105,000 from the Capital Revolving Loan Fund~~ and transferring ~~\$395,000~~ ~~\$750,000~~ 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~~ **the City** 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 throughout the City ~~downtown~~; and,

WHEREAS, the "~~Downtown~~ Equity Program" shall improve physical access in the ~~State Street Corridor~~ City 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 throughout the City ~~downtown~~; and,

WHEREAS, the Equity Program will provide a path toward equitable prosperity, especially within the black community, by providing tools and support to diverse entrepreneurs to prepare for our post-COVID economy; and,

WHEREAS, the "~~Downtown~~ Equity Program" can include the following sub-programs:

- A ~~Downtown~~ **BusinessReady** 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 **other business organizations** ~~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~~ **community** 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 ~~Downtown~~ **BusinessReady** 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 an ~~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~~ **or are no longer moving forward**; 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 **\$500,000** ~~\$250,000~~ for the ~~Downtown~~ Equity Program, funded by ~~Capital Revolving Loan Fund Reserves (\$105,000) and GO Borrowing (\$395,000)~~ **(\$750,000)**; and,

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

CCB 4th Floor Remodel: \$277,000

Midtown Police Station: \$276,000

North Side Public Safety Campus Planning: \$197,000

~~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.