



January 29, 2021

Dear Alders:

Downtown Madison, Inc. (DMI) strongly advocates for the City to maintain their current policy on rezoning properties that attempts to minimize the creation of non-conforming uses and structures. The proposed rezoning of properties to intentionally make them non-conforming in the resolution, item number 8 on the February 2nd City Council agenda (file number 62174), is bad precedent with chilling effects on existing businesses and on progress and reinvestment in downtown Madison.

Retaining, encouraging, and promoting a variety of commercial uses and employment opportunities impacting downtown are key goals in the DMI Civic Agenda. The proposed resolution undermines the City's current policy of creating as few existing non-conforming uses as possible when a property is rezoned. The current policy respects both existing land uses rights and provides predictability, however the proposed changes will severely affect property rights and future development downtown by creating instability for existing businesses and property owners.

The proposed changes, through the creation of non-conformities, will result in dramatic changes including significantly diminishing property values and limiting the ability of owners to obtain mortgages or maintain their buildings since structural repairs or alterations to building housing a non-conforming use may not exceed 50% of total assessed value. The diminution in value will also further shift the tax burden to residential properties and increase issues of housing affordability. The changes will also prohibit existing buildings from expanding and will disincentivize growth and density since buildings with non-conforming uses cannot be altered, extended, or expanded. An additional issue created by this resolution is the limited ability to re-tenant a building at the end of a lease, which could result in more vacant buildings. Finally, finance and insurance issues will be created for the property owner thereby disincentivizing potential future development.

DMI strongly recommends maintaining the current City policy on rezoning that attempts to minimize the creation of non-conforming uses and structures whenever possible. Any potential changes, like the resolution in front of you, will severely affect existing businesses and future development and planning in downtown Madison and throughout our city.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jan de", written in black ink.

Jason Ilstrup
President
Downtown Madison, Inc. (DMI)