



City of Madison

Meeting Agenda – REVISED

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

Madison Central Business Improvement District (BID) Board of Directors

April 4, 2013

Noon-1:30 pm

122 W. Washington Ave.
1st Floor Board Room

If you need an interpreter, translator, materials in alternate formats or other accommodations to access this service, activity or program, please call the phone number below at least three business days prior to the meeting.

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Yog hais tias koj xav tau ib tug neeg txhais lus, ib tug neeg txhais ntawv, cov ntawv ua lwm hom ntawv los sis lwm cov kev pab kom siv tau cov kev pab, cov kev ua ub no (activity) los sis qhov kev pab cuam, thov hu rau tus xov tooj hauv qab yam tsawg peb hnuv ua hauj lwm ua ntej yuav tuaj sib tham.

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Madison Central Business Improvement District (BID): (608) 512-1340

Approx. Time

1. **Call to Order** — Jeanette Riechers, Chair (12 noon)
2. **Approval of Minutes** from Mar. 7, 2013 meeting (12:01 pm)
3. **Disclosures and Recusals** — (12:02 pm)
Members of the body should make any required disclosures or recusals under the City's Ethics Code
4. **Public Comment** (3 min. per speaker) (12:03 pm)
5. **Chair's Report** – Jeanette Riechers (12:05 pm)
6. **Central District MPD Update** – Capt. Carl Gloede (12:10 pm)
7. **BID Business Mix Biannual Update** – Mary Carbine (12:15 pm)
-BID vision for supporting downtown retail (ACTION ITEM)
8. **ALDO Annual Review Report (2012)** – Mark Woulf, City Food & Alcohol Policy Coordinator (12:25 pm)
9. **Treasurer's Report** – Stacy Nemeth (12:55 pm)
-Quarterly Budget Update

Approx. Time**10. BID Staff Reports**

(1:00 pm)

- a) Tim Jenquin, BID Programming Coordinator
 - Ambassador Program
 - Planting/Holiday Decorations
 - Welcome Programs
 - Map update
 - Business Turnover

- b) Mary Carbine, BID Executive Director
 - Construction/Downtown Get Around Guide
 - Marketing update
 - Website upgrade update

(1:05 pm)

11. DMI update – Susan Schmitz

(1:10 pm)

12. GSSBA Update – John Hutchinson, Hawk Sullivan

(1:15 pm)

13. City of Madison Update

(1:20 pm)

- a) Matt Mikolajewski, Office of Business Resources
- b) Ald. Mike Verveer

14. New Business

(1:28 pm)

15. Next Meeting – May 2, noon-1:30pm

- Greg Mickells, Library Director/Jenni Collins, Library Foundation Directory

16. Adjournment

(1:30 pm)

If you need an interpreter, materials in alternate formats or other accommodations, please contact the Madison Central BID office at 608-512-1340 or mcabine@visitdowntownmadison.com. Please do so at least three business days prior to the meeting so that proper arrangements can be made.

April 2, 2013



Madison's Central Business Improvement District (BID)

Business Improvement District: Supporting Downtown Retail

Madison's Central BID is a special assessment district that encompasses the greater State Street and Capitol Square areas. It includes some 220 commercial properties and 350 retail, restaurant, entertainment and service businesses, many of which are locally-owned and/or small businesses. The BID Board consists of business owners (retail, restaurant, hospitality), property owners (large and small) and other key stakeholders (downtown resident; nonprofit, University of Wisconsin and city representatives).

The aim of the BID is to increase the vitality and health of the district and promote business within it. Our constituents are commercial property and retail business owners in the district, and their customers, both residents and visitors. The BID works to create a rising tide and bigger market for all downtown businesses and the district as a whole.

Creation of a downtown BID was one of the recommendations of the 1999 State Street Strategic Plan. The BID vision for central downtown echoes that Plan's vision for State Street, including:

- *As the city's commercial, cultural, and entertainment center, State Street should be a truly urban environment where all citizens feel welcome and a part of the community;*
- *The vitality of the Street depends upon it providing a broad and expanded array of retail goods, services, entertainment, and cultural activities.*

The BID vision for the central business district is one that is:

- Dynamic and evolving as retail, uses and users evolve.
- A distinctive "experience" destination, offering a unique mix of shopping, dining, entertainment, hospitality, arts and culture.
 - Food, entertainment and cultural organizations are new anchors for retail. A healthy retail district will have between 30% - 40% restaurants/food and drink offerings. (International Downtown Association, 2012)
 - "To entice customers now, retailers must offer an experience to draw customers in and keep them coming back . . . Huge shopping malls, for example, likely won't survive unless they become entertainment destinations . . . People don't have to go there with the Internet now. What's going to make them go there? It has to be some social experience." (Robin Lewis, Vice President Retail Consulting, Goldman Sachs, 2011).

- The percentage of central downtown restaurants/food and drink businesses has remained between 30%-40% for the last 15 years (currently 39%, was 38% in 1998).
- The current retail businesses percentage is 26%. The BID would like to see this rebound to at least the 2009 level of 35% (was 50% in 1998).
- A mix of local, regional and national retail, including destination retail.
 - Downtown retail offerings must be predominantly unique and distinctive, while including general merchandise, apparel, furniture and convenience options.
 - The current downtown business mix is 86% locally owned, up 3% from 2010.
 - “Many well-intended policy-makers have discouraged national chains from locating in downtowns, which has resulted in an undesirable situation: urban residents must drive to the suburbs [or shop online] for most of their primary goods and services.” (Gibbs, 2012)
- A mix of store sizes and types, including medium and larger footprints.
- A standard of excellence for customer experience in:
 - Safety
 - Cleanliness and maintenance of public spaces
 - Convenience
 - Access (parking, transportation)

The director of the Times Square BID in New York City emphasized clean sidewalks as a critical measure of an area’s ability to attract people. (Business Improvement Districts, 2nd. edition).

“Now, shoppers are time-starved and spend more money in less time per visit. The key is to provide convenience – shoppers must be able to park nearby, run in, and get what they need efficiently.” (Robert Gibbs, “Retail Planning Principles for Cities, CNU 2011).

- A standard of excellence for the business experience in:
 - Permitting and licensing (city)
 - Information/communication on policies, regulations and services (city)
 - Marketing (BID)
 - Downtown environment (city and BID)

The BID sees two challenges (and opportunities) in the current business mix:

- Slowly contracting brick and mortar retail, especially soft goods.
- E-commerce is upending traditional retail by greatly expanding shopping convenience, selection and affordability. Online sales are expected to double their market share within five years. This will likely reduce demand for retail space, leading to closing of underperforming locations and more selective opening of new stores. It may also lead to

urban locations capturing increased share of bricks-and-mortar retail sales. (Nelson & Billingsley, 2012)

- Bar and entertainment options disproportionately geared towards “vertical drinking”/college student market, and lacking sufficient “grown up,” non-drinking-focused options for non-student downtown residents (young professionals, empty nesters) and visitors (business, convention, leisure).

For example, the community input on the Doyle Square project included a desire for an entertainment uses for non-student audiences (residents, visitors).

BID Recommendations to encourage retail business retention, expansion and recruitment, based on demonstrated actions and policies shown to improve retail and business mix in downtowns:

- Short term: Prioritize the downtown customer experience:
 - Clean, well-maintained and attractive public spaces.
 - Safe and well-lit public spaces.
 - Convenient, good-value public parking focused on good customer experience. This includes maintaining and improving the vehicle parking supply; improving real-time information about where parking is available; prioritizing cleanliness and safety of public parking facilities; improving the special event parking system for non-event parkers; and improving the bicycle parking supply.
 - Convenient access: vehicle, multi-modal.
 - Improved wayfinding signage to and through downtown, including better “trailblazing” signage to lead visitors to major attractions and parking.
- Medium term: Support business development and a quality business experience:
 - Handbook for small businesses with customer-focused information resources about city policies, regulations, and services.
 - Process and customer service improvement for small business permitting and licensing.
 - Tenant Improvement or other incentive funding, e.g.:
 - Expand façade improvement grant program to include signage package or retail build-out
 - Update TIF policy to allow use of TIF for (non-food) retail build-out
 - Explore incentive funding along the lines of the package of grants and forgivable loans implemented in Milwaukee (2010) to provide incentives for retailers to locate downtown.
- Long term: Expand downtown resident and worker customer base.
 - Recognizing that retail follows the market (it doesn’t lead), it is essential to foster increased residential and workforce density in downtown. To attract neighborhood-serving retail and general goods and services, we need to significantly increase the market of residents and workers with disposable income in the central downtown. Currently, the visitor and student markets predominate in central downtown; these markets are inconsistent and don’t generate demand for neighborhood-serving retail.

The BID works to support business retention, expansion and recruitment through:

- Marketing Downtown Madison as a shopping, dining, and entertainment destination.
- Visitor services: Ambassador Program, Downtown Map & Guide.
- Enhancing the downtown environment: Plantings, flowers, holiday lights.
- Producing/supporting events that drive business and brand downtown as a shopping and family destination (Holiday Open House, Family Halloween, Cars on State).
- Supporting business development and tenant recruitment with market data and leasing inventory.
- Advocating for policies that will support a vital retail district:
 - Safety (e.g., panhandling ordinance amendment).
 - Clean: Downtown cleaning and maintenance (Mall Maintenance).
 - Customers: Increasing the market of residents and workers with disposable income in the central downtown (Downtown Plan).
 - Parking: Continuing to improve parking supply and customer experience, and to find a better special event parking system for non-event parkers.
 - Permitting and licensing: Creating a handbook for small businesses; continuing to improve process and customer service for small business permitting; signage.
 - Convenient access (Ride the Drive, taxi access to State St.).
 - Business Mix (Alcohol License Density Ordinance).

Sources

Effective Retail Recruitment Campaigns, International Downtown Association Annual Conferences, 2012

“Expert: Retailers will downsize,” Robin Lewis, The Post and Courier, December 3, 2011.

Business Improvement Districts, 2nd. Ed., Lawrence O. Houston, Jr., Urban Land Institute, 2003.

“Retail Planning Principles for Cities,” Robert Gibbs, Congress for the New Urbanism, 2011.

Building a Better Foundation for Urban Retail’s Future, Robert Gibbs, Retail Property Insights Vol. 19, No. 3, 2012.

The New Urban Frontier, Andrew J. Nelson and Alan Billingsley, Retail Property Insights Vol. 19, No. 3, 2012.