



## Madison's Central Business Improvement District (BID)

### MEMO

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To: Sustainable Design and Energy Committee  
Jeanne Hoffman, Facilities and Sustainability Manager

cc: Committees considering the plan

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Re: Updated BID Input on Draft Sustainability Plan

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Dear Committee members and staff,

Thank you for all your work to create and issue the city's Draft Sustainability Plan. We would like to offer input from the perspective of Madison's Central Business Improvement District (BID). BID initially offered input from the Small Business perspective (#3, below) on April 7. After further review and input from BID property and business owners, BID offers updated input, below.

#### **About Madison Central BID**

Madison's Central Business Improvement District encompasses the greater State Street and Capitol Square areas. It includes some 220 commercial properties and 370 retail, restaurant, entertainment and service businesses, many of which are locally-owned and/or small businesses.

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. Specific BID goals include:

- Increase retail sales within the district
- Attract, retain and expand businesses
- Create a positive experience and welcoming environment for customers: clean, safe, easy to get to, from & around, well-maintained, attractive.
- Build the customer base to support downtown retail, restaurant, hospitality and entertainment. Long-term, this means increasing the density of downtown development and housing to encouraging major employers to locate downtown, and to encourage more people to live, work, shop and recreate downtown. Dense downtown development in turn contributes to economic development, a healthy tax base, and is inherently sustainable and does not contribute to sprawl.

## **BID Input in Sustainability Plan**

A business district that is clean, green and easy to get around, and Madison's reputation as environmentally friendly, are positives for attracting downtown customers, residents and visitors.

The Sustainability Plan offers ideas that the BID has supported in other contexts, such as investing in infrastructure for dense development downtown (p. 28), and economic development assistance and programs for businesses to help them implement energy efficiency and sustainability programs.

BID also has some concerns from a downtown development and small business standpoint. BID agrees with many of the recommendations offered by the city staff with the Planning Department (Michael Waidelich, 4/28) and Office of Business Resources (Matt Mikolajewski, 3/10), and has additional input below.

### **1. General Input:**

a) Consider focusing and prioritizing to enable more input

The current draft Plan is long and wide-ranging. It has many recommendations that would have significant impacts for downtown development, and could be expensive for the city and for the private sector to implement. A revised Draft Plan with narrowed and prioritized goals and less duplication (and perhaps an Executive Summary?) could help focus efforts and resources, and facilitate more input because it would be more accessible.

b) Consider more education, outreach and incentives for business and developers, and fewer requirements. Has enough outreach been done to businesses and developers to ask: What are the best ways to incentivize change and sustainability in the private sector?

Also consider better coordination of various existing programs (MadiSUN, MPowering, Green Madison Commercial, etc.), and outreach to business in a more unified way.

### **2. Development Perspective:**

a) Encouraging density, infill development, and intensive land use downtown is in itself sustainable and can help reduce sprawl. Some recommendations in the Draft Plan might work against infill development. BID recommends against downtown specific restrictions or requirements that would discourage downtown development or make it more expensive to do urban infill than suburban or outer ring development. BID encourages policies that help make downtown infill investment at least as attractive as "corn-field" investment.

Examples:

Natural Systems Goal 6: "Open Area" and park requirements in downtown zones are well intentioned but remove land from tax rolls and reduce the base of developable sites. Balance open land and park space needs with greater goal of infill development that counters sprawl.

Planning & Design Goal 2: "Establish maximum parking thresholds...". Maximums could dampen development in Madison because the users of the buildings (office tenants, clinics, retailers, etc.) will not be satisfied with building's parking feature. Developers already don't have incentive to build more parking (i.e., spend more) than necessary. Restrictions in the city could result in developers opting to build elsewhere, contributing to sprawl.

Planning & Design Goal 4: "...in town agriculture..." & "4% of land commit to urban agriculture". Is this the best use of urban land in a city surrounded by agricultural areas?

Carbon & Energy Goal 3: Green roof requirements are too stringent and expensive, and could drive new development away from Madison.

- b) Consider incentives for upgrading existing building stock. New buildings are already quite energy efficient because of requirements of international building code; older existing building systems, less so. However, upgrading existing buildings (Carbon & Energy Goal #2) can be prohibitively expensive. Consider targeted incentives to make retrofitting old building stock affordable. Analyze whether incentives for retrofitting would yield more energy efficiency than Planning & Development Goal 3: “LEED required for all construction supported by public funds.”

**3. Small Business Perspective:** When viewed from the perspective of downtown’s many small, locally owned businesses, two suggested Plan actions raise concerns:

*Page 22: “Require events that are granted either a park use or street use permit, and that anticipate attendance over 200 people, have a TDM plan.”*

Such a requirement will place an undue burden on the many small, not-for-profit organizations whose events are so important for attracting customers to downtown, from Maxwell Street Days to Cars on State. Transportation Demand Management (or TDM) plans can cost thousands of dollars to create and implement. Few organizations that present events could either afford to have a TDM plan developed, or have the expertise to develop one in-house.

We suggest instead that the City take the lead in developing its own TDM plan that incorporates a TDM template, options and suggestions for permitted events.

*Page 28: Research impacts of downtown toll zones (with electronic monitoring) that target reducing numbers of vehicles and resulting emissions from the central city.*

Congestion pricing is usually implemented in major metropolitan areas with populations ranging from 850,000 (Stockholm) to 1.3 million (Milan) or 7.8 million (London), and with highly developed public transportation systems. Congestion pricing can have a negative effect on retail businesses and on economic activity in general (and has been opposed in cities much larger than Madison for this reason).

We do not agree that Madison, with a population of roughly 225,000, is an appropriate candidate for a downtown toll zone and congestion pricing.

- Central Downtown Madison needs *more* people and visitors to sustain it as a retail district. We do not need the disincentives of added cost.
- City parking garages and lots are not fully utilized.
- Most of the competing shopping areas and communities offer free parking. Customers already complain about having to pay for parking downtown. If customers also have to pay just to drive downtown, they will simply stay away.
- Madison does not have a fully developed regional public transportation system. Visitors (including regional visitors) are key to the downtown economy. If visitors cannot get here via public transit, and you add an additional toll for them to drive here – they simply won’t come downtown. This will be damaging to downtown businesses, Overture Center, and the economy.