



Madison's Central Business Improvement District (BID)

MINUTES

BOARD OF DIRECTORS MEETING

Thursday, August 7, 2008, Noon-1:30pm

BID Offices, Board Room, 615 East Washington Avenue, 2nd floor

PRESENT: Tom Carto, Jack Garver, Lori Kay, Larry Lichte, Pat McGowan, Matthew Mikolajewski, Traci Miller, Maria Milsted, Gregg Mulry, Sam Parker, Rick Petri, Jeanette Riechers, Hawk Schenkel,

STAFF: Mary Carbine (Executive Director), Mitch Freund (Programming Coordinator), Susan Schmitz (DMI President)

GUESTS: Dan Milsted (Milsted Properties)

ABSENT: Dan Cornelius, John Hutchinson, Brian Mullins, Stacy Nemeth, Paul Norman, Mary Lang Sollinger, Alder Michael Verveer

I. Call to Order

BID Board Chair, Lori Kay, called the BID Board Meeting to order at 12:06pm

II. Roll Call

BID Board Members introduced themselves around the room.

III. Approval of Minutes from July 3, 2008 meeting

Rick Petri moved to approve the minutes from the July 3, 2008 BID Board Meeting. Jeanette Riechers seconded the motion. The motion passed unanimously.

IV. Public Comment

Lori Kay moved the "Public Comment" to Item 9 in the Agenda.

V. Staff Reports

A. Mary Carbine, BID Executive Director

1. Construction Updates

a) 500-600 Blocks State Street

Mary Carbine informed the board that the contractor is currently on schedule in the 500-600 blocks of State Street. The BID Staff is looking into creating a party to celebrate the conclusion of construction on State Street.

b) Capitol Square Promenade Construction

Construction on the Capitol grounds continues as scheduled. Phase 2 will begin when Phase 1 is complete sometime in August.

2. Frances Plaza Public Art Project

Carbine explained the recently approved Frances Plaza Art Proposal. Rick Petri asked what the piece looks like. Carbine passed around a picture of the proposed piece.

3. Business Marketing Piece Design Draft

Carbine explained the recent updates made to the BID's proposed Business Marketing Piece. She encouraged the board to review the draft included in their packets and to provide her with any further feedback.

B. Mitch Freund, BID Programming Coordinator, Programming Report

1. Ambassador Program Report

Mitch Freund reported that in July, the Downtown Ambassadors extended the Information Booth hours for special events such as Concerts on the Square, Art Fair on the Square, and Maxwell Street Days.

Ambassadors helped 5,438 people in the Info Booths in July. During Art Fair on the Square, 625 people utilized the booths (2007 = 424 people). And during Maxwell Street Days, Ambassadors helped 931 people (2007 = 591 people).

In July, Ambassadors also distributed 15,750 Downtown Madison Map & Guides through the Info Booths and in BID business storefronts.

2. Planting/Hanging Baskets Program
Freund notified the board that the hanging baskets are looking great
BID Staff continues to work with the City on re-planting beds near the Overture Center.
3. BID Business Retention/Retainment Report
Freund informed the BID BOD of a new category to the BID Business Retention Chart provided in their packets. Two new businesses have opened recently, Bag Borrow or Steal and State Street Shirt Company. Both businesses are headquartered within the BID, but are online-only businesses without a storefront.

C. DMI Update – Susan Schmitz, DMI President

1. Reach Out Program
Susan Schmitz explained how DMI is utilizing a “Homeless Resource Guide” obtained from Milwaukee Downtown as a model for a “Reach Out” brochure to educate downtown patrons about services offered to people in need. Jeanette Riechers felt there has been an increase in homeless/transient problems, and felt this brochure would be useful to all downtown patrons. Hawk Schenkel expressed concern about the upcoming retirement of a State Street police officer, and how it will affect the downtown community. Mary Carbine reinforced that BID businesses and the downtown community can report illegal behavior to the police, and will again circulate an info sheet with the BID Update.
2. Lisa Link Peace Park
Schmitz reported on progress for plans for Peace Park to be renovated in Spring 2009. She informed the board that the proposed Visitor Center will hopefully feature solar power and will be moved next door to Princess of India. Schmitz continues to work on this project with Si Widstrand in Parks and Ken Saiki.

VI. Hospitality Zone Assessment Report – Action Plan Update: Lori Kay, Rick Petri

Lori Kay reported that everyone involved in the Hospitality Zone Assessment process was happy with the results. The group is now moving into proposed action plans. Rick Petri reported he will chair the Best Practices Committee. This committee will identify best practices for opening and operating an entertainment/dining business. Susan Schmitz reported that the HZA and the action plan work are currently housed in DMI.

VII. King Street Update – Sam Parker, Susan Schmitz

Sam Parker and Susan Schmitz updated the Board on progress on communication with property owners in the King Street 100 block area regarding interest in this area joining the BID for 2009 and the 2009 Operating Plan.

Jeanette Riechers questioned how the Lucky/University Square area fits in, and has anyone thought about adding this area into the BID. She is very interested in how will this area will effect State Street business. Mary Carbine explained this area has not been considered at this time. Rick Petri felt the Lucky/University Square area would be another logical expansion for the BID.

VIII. 2009 Operating Plan preparation

A. BID Annual Meeting Review

Mary Carbine thanked the board members who attended the BID Annual Meeting on July 27. She then reviewed questions and comments raised at the meeting. She then asked for feedback from the board on how to increase attendance at the Annual Meeting.

B. Draft 2009 Operating Plan (approval scheduled for Sep. 4 BID board meeting)

Mary Carbine informed the board that changes to the 2009 Operating Plan is highlighted in red in the draft. She then opened the floor for discussion of the draft.

Rick Petri would like to see more emphasis on “Advocacy” on page 4 under “Maximizing Marketing” and “Welcoming Environment.” He would also like to see more emphasis in the plan regarding the “Nighttime Economy.” Lori Kay thanked Petri for his close reading of the Operating Plan.

Carbine referred everyone to page 3 dealing with the King Street addition. If King Street were added to the BID, they would become a voting member. This would bring voting on the BID board

to 18 members. Carbine reminded the board that they will be voting on the 2009 Operating Plan at the September BID Board Meeting.

C. BID policies compilation

Lori Kay thanked Mary Carbine for compiling the BID Policies/record of Board decisions.

IX. Mall Maintenance

A. *Report from BID and DCC Subcommittees on Mall Special Charges – Mary Carbine*

Due to Mary Lang Sollinger's absence, Mary Carbine updated the board about the BID subcommittee's and DCC subcommittee's latest meetings. The DCC Subcommittee was collaborative group formed with city staff from the Comptroller's Office, Parks, Engineering, and members of the DCC to review the Mall Maintenance program. After doing research on the historical background, service reviews, property owners' obligations, and city budgets, the subcommittee considered in detail seven Options for a formula for levying Mall Special Charges that would be more fair and equitable. A BID subcommittee on Mall Maintenance was formed and met in June to review the DCC subcommittee's work and provide input and recommendations.

As a result, the DCC Subcommittee agreed to present Option 6 for the next level of review with senior staff/department heads in Parks and Engineering and the City Attorney's office. In Option 6, only those properties receiving services are subject to special charges. Properties that do not receive services will no longer be charged. Additionally, all properties receiving services will be charged at the same rate. Option 6 uses a formula that combines factors of the parcel's square footage (50%) and the linear feet of the building's frontage (50%). There was unanimous agreement that Option 6 was the most fair.

At the July 3 BID Board Meeting, Larry Lichte presented Option 7. The BID Subcommittee voted to return Option 7 to the DCC Subcommittee for additional review. The DCC Subcommittee met subsequently. After a lengthy discussion, the DCC subcommittee voted that Option 6 remained the best option, and that Option 7 was not in the sense of community where benefits of service and amenities are shared by many.

Lori Kay opened the floor for Public Comment and Board Discussion.

Public Comment: Dan Misted from Milsted Properties informed the board that he recently met with Mary Carbine and Lori Kay to discuss Mall Maintenance. He feels there are some inequities in the proposed Option 6, and the formula would more than double his Mall Maintenance fees. He would like to see more work done to figure out a fair calculation.

Board Discussion: Maria Milsted indicated her disagreement with having fees go up without receiving additional services. She would like to be added to the BID Mall Maintenance subcommittee. Maria then questioned if the BID subcommittee voted for approval of Option 7.

Larry Lichte spoke to support his proposed Option 7 as better for the spokes off the Capitol Square and State Street. Lichte passed around photographs showing the lack of service in the East Main Street area. He also emphasized the larger size of State Street sidewalks compared to side street sidewalks. He would like Option 7 supported by the BID board, and asked for the board to look into Option 7 and create calculations.

Hawk Schenkel informed the board that as a business tenant, he proudly pays 100% of his Mall Maintenance fees and the BID assessment in his lease.

Rick Petri expressed his confusion of the Mall Maintenance calculations and the options offered. Petri would like to see the creation of an option that will do the least harm. Petri would also like the City to explain the accounting mistake they made that has created this debate.

Larry Lichte moved that the BID Board support the BID subcommittees motion of support of Option 7 and ask the City Comptroller to run the computations. Rick Petri seconded the motion.

Lori Kay opened the floor to discussion of the motion.

Pat McGowan requested more clarity of current Mall Maintenance calculations and the proposed options.

Mary Carbine informed the board that currently the City covers some of the costs themselves. The City currently covers 2/3 of the cost of Mall Maintenance and property owners covers the remaining 1/3 through a calculated fee determined by surface lot footage. In the proposed Option 6, properties which do not receive service will no longer be charged. The Option 6 formula factors in factors in effective service frontage as well as lot square footage.

Rick Petri moved to amend the motion by requesting the City to explain their present and proposed methodology before a combined meeting of the DCC and the BID Board. Petri's goal with this amendment is to dispel any confusion regarding Mall Maintenance. Larry Lichte accepted this friendly amendment and seconded the motion.

Lori Kay opened the floor for discussion.

Tom Carto questioned the proposed motion in light of past BID and DCC subcommittees actions and recommendations. Does this motion circumvent the work of the DCC Subcommittee? Lori Kay assured everyone that the action of the board in this meeting will be forwarded to the DCC. Rick Petri questioned if this action will come before the BID Board before going to Common Council.

Larry Lichte proposed a "Call to question."

Lori Kay called for a vote on Lichte's motion and Petri's amendment. The motion passed unanimously.

- X. City of Madison Update** – Ald. Mike Verveer; Matt Mikolajewski, Office of Business Resources
Nothing to report.
- XI. GSSBA Update**- Hawk Schenkel
Nothing to report.
- XII. New Business**
Nothing to report.
- XIII. Next BID Board Meeting**
Thursday, September 4, 2008, Noon-1:30pm, BID Offices, 615 East Washington Avenue, 2nd floor
- XIV. Adjournment**
Hawk Schenkel made the motion to adjourn the August BID Board Meeting. Larry Lichte seconded the motion. The motion passed unanimously. Lori Kay adjourned the BID Board Meeting at 1:42pm.