



BID Overview

What is a Business Improvement District? How does it work?

What is “Renewal”?

What is a Business Improvement District (BID)?

A Business Improvement District (BID) is a system by which the owners of two or more private properties or businesses cooperate to share the costs to address common problems or realize economic opportunities (e.g., promote business activity, enhance the image of an area). A BID allows businesses within a self-defined district to develop, manage, maintain and promote the district, and establish an assessment method to fund those activities.

Enabled by state statute, a BID authorizes (in coordination with the local unit of government, i.e., city) an ongoing special assessment (i.e., tax levy) that is used to implement various programs and activities outlined in an annual Operating Plan.

The power of a BID is that it is self-governed, enables business and property owners to improve their district in any way they want, and establishes ongoing funding. There is accountability, in that members have a say in how the money is spent, and the BID can be renewed or terminated by vote of property owners at scheduled intervals (e.g., every 5 years).

Where are BIDs Found?

Nationwide, there are more than 1,200 BIDs, and they can be found in every state. The Times Square Alliance, founded in 1992, was instrumental in revitalization of that area. BIDs in communities comparable to Madison include Downtown Boulder (CO), which includes the Pearl Street area, and the Downtown Austin Alliance (TX), established in 1993. In Wisconsin, there are more than 80 BIDs in communities of all sizes. Milwaukee has more than 40 BIDs.



History of Madison’s Central BID

Madison’s Central BID is Madison’s first and only BID. The BID was one of three initiatives of State Street Strategic Plan, and was extended to the Capitol Square and immediate surrounding area. A several-year adoption process concluded with City Council approval in December 1999.

Profile of Madison’s Central BID

The BID encompasses the greater State Street and Capitol Square area, including the 100 blocks off the square (*area in gold at left*). It includes appx. 200 property parcels and appx. 350 street level, consumer-oriented businesses (retail, food & drink, entertainment, service).

Goals and Strategic Focus

The goal of Madison's Central BID is to increase the vitality and health of the district and promote business within it. The constituents are the property and business owners within the district. It is not intended as a substitute for City services (such as Mall Maintenance).

The four areas of BID Strategic Focus are to: Market the district as a whole, create a Welcoming Environment, develop Community Relations, and Advocate for the needs and interests of the district.

How Does the Madison Central BID Work?

The BID is governed by a Board of Directors representing business, property owners, and district stakeholders such as the UW, students, the Overture Center, and a downtown alder. BID Board members are appointed by Mayor and approved by City Council. There are two full-time staff members plus part-time and seasonal Ambassadors.

The Operating Plan, budget and assessment method are developed by BID Board and approved annually by City Council. The Operating Plan includes a rolling 5-year sunset. The BID is in its tenth year of operation.

The Madison BID special assessment is collected by the city and expended as directed by the Board per the BID Operating Plan. BID staff implement the programs as directed by the Board.

Board Meetings

The BID Board meets the first Thursday of the month from noon-1:30 pm, at 615 E. Washington Ave., in the conference room on the second floor. Board meetings are open to the public, and BID business/property owners are encouraged to attend.

Method of Assessment

BID programs and services are funded by an annual special assessment. The BID staff and Board leverage this assessment to raise additional funds to invest in these programs.

The BID assessment is billed on the annual property tax bills, and is collected by the city along with property taxes. The funds are held by City Comptroller's Office in a segregated account, and disbursed as directed by BID staff per the Operating Plan.

Commercial and partially commercial properties are subject to the BID assessment. Exclusively residential properties, properties used for manufacturing, and properties determined to be exempt from real estate taxes are not assessed. Tax-exempt properties that benefit from BID activities are expected to make a donation to the BID in lieu of taxes.

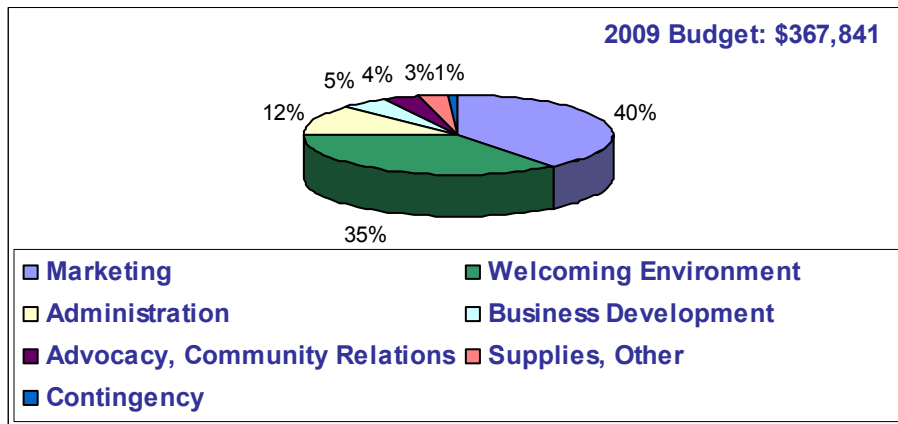
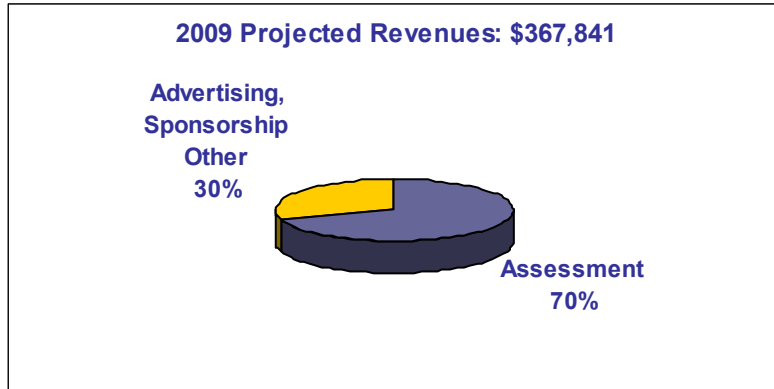
The annual assessment is based on lineal frontage:

- Primary lineal frontage - \$15/ft. (Primary frontage includes building main entrance.)
- Secondary lineal frontage(s) (if applicable) at 50% (i.e., \$7.50/ft.)
- Total assessment not to exceed \$0.30 per square foot of primary (finished) building area.

More details are available in the BID Operating Plan, which can be sent upon request or downloaded at: http://www.visitdowntownmadison.com/about/index.php?category_id=2495

Revenues and Budget

The BID leverages the special assessment to bring in additional revenues (from map advertising, grants and sponsorships) to invest in programs and services to the District. The BID allocates budget to programs and services that serve the Strategic Focus as outlined in the Operating Plan.



BID Renewal Vote

Continuation of the BID requires affirmative renewal by property owner vote every 5 years.

The next vote will be conducted in July, 2009. This vote will be to authorize the BID assessment and operations for 2010 through 2014.

The vote will be conducted by sending a ballot to each owner of property within the District subject to the BID special assessment. Based on the returned ballots, an aggregate frontage will be calculated. The owners of over 50% of that aggregate frontage must vote affirmatively for the continuation of the BID.

The ballots will be submitted to the City and will be counted by the City Clerk only after the voting deadline has passed.

BID Board of Directors (2009)

Lori Kay
(Board Chair) UW-Madison
Director, Community Partnerships
UW-Madison Office of the Chancellor

Jeanette Riechers
(Board Vice Chair) Madison Sole
State Street - Business Owner

Stacy Nemeth
Capitol Square - Property Owner
(Board Treasurer) Senior Vice President, The
Fiore Companies

Hawk Schenkel
(Board Secretary) Greater State Street Business
Association Vice President
Hawk's Bar & Grill

Tom Carto
Tax Exempt Entity
President and CEO, Overture Center for the Arts

Dan Cornelius
UW Student
Associated Students of Madison representative

Jack Garver
At Large Member
The Fanny Garver Gallery

John Hutchinson
State Street - Property or Business Owner
President, Fontana Sports Specialties

Larry Lichte
West Main - Business Owner
Attorney; President, Empire Realty Company

Patrick McGowan
State Street - Property or Business Owner
President, The University Book Store

Matthew Mikolajewski
City of Madison
Office of Business Resources Manager

Traci Miller
At Large Member
Co-proprietor, L'Etoile Restaurant

Maria Milsted
State Street - Property Owner
President, Milsted Properties

Brian Mullins
Capitol Square - Property Owner
The Mullins Group; Attorney, Axley Brynelson

Gregg Mulry
Downtown Resident

Paul Norman
Capitol Square - Business Owner
Attorney, Boardman Law Firm

Sam Parker
Context
King Street Area Representative

Rick Petri
Downtown Madison, Inc., Representative
Attorney, Murphy Desmond

Mary Lang Sollinger
Downtown Coordinating Committee Member

Mike Verveer
District 4 Alder
Madison Common Council

BID Staff:

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needed. Please contact:

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