

Mayor Rhodes-Conway: City leaders propose program to assist with downtown business recovery

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The Downtown Business District, an important center of community and commerce, is struggling. On State Street, where 70 percent of businesses are locally owned and operated, and where 62 percent of businesses are owned by women and people of color, the COVID-19 shutdown and recent damage and destruction has prompted 41 business owners to indicate in a recent survey that they will find it difficult to reopen and could close permanently.

In support of these shops, City leaders are announcing a “Downtown Recovery Program” to support small downtown business owners. The proposal was introduced as an ordinance by title only at this week’s Madison Common Council meeting with details of the legislation to be discussed at the June 22 Madison Finance Committee meeting.

“I’ve spoken with dozens of State Street area business and property owners, who have expressed the need for financial assistance to repair the damage to their businesses and properties, which were already suffering after months of the pandemic,” said Alder Mike Verveer, District 4, who represents the area most impacted. “These grants are desperately needed and will be very welcome news to our downtown businesses.”

The Downtown Recovery Program proposes to create a City fund to help downtown small business and property owners with the costs of repairing their businesses by offering reimbursement grants of up to \$25,000. This funding would cover the lesser of their repair costs or their insurance deductibles for window replacement and

other repairs necessitated by the damage incurred to the interiors and exteriors of buildings over the last few weeks.

The program aims to address an immediate need expressed by many small business owners on and around State Street for financial assistance to repair the damage at a time when they have already lost substantial revenue due to closure from COVID-19.

Grants will be available to cover damages incurred since May 30, 2020. The program provides:

- Up to \$25,000 grant per storefront
- No match requirement
- Will cover the lesser of the insurance deductible or the actual cost of building repair
- Reimbursement program – documentation required that contractors have been paid (i.e., lien waivers) or insurance deductible has been paid
- Open to local tenants and building owners

The City of Madison recognizes that the Downtown Business District was suffering from vacancies even before COVID and recent events. The City has provided financial support to the downtown business community in the past, most notably through the Façade Improvement Grant Program and former State Street Retail Grant Program. Moving forward, the City will consider new downtown financial assistance programs, with a focus on supporting small businesses owned and operated by people of color.

“This program will give a desperately needed boost to these locally-owned businesses and, just as importantly, to their hundreds of employees who have also suffered financially from both COVID-19 and three nights of damage,” said Alder Patrick Heck, District 2.

“I cannot overstate the importance of State Street to the economy of Madison. This iconic street draws local residents, alumni, and people from all over the world because of its vitality. This grant provides hope to small businesses and a message that better days are on the horizon,” said Council President Sheri Carter, District 14.

“We hope these funds will make a difference for the mom and pop shops in the downtown business district. I hope everyone in Madison will think about shopping local before

they place an order online, and step up their support of our local businesses as they struggle in these difficult times,” said Mayor Rhodes-Conway.

“The downtown businesses and property owners are thankful to City leadership for creating this recovery program. It is clear that State Street is important to everyone in this community. The outpouring of support from volunteers, local organizations and community artists has been very helpful as our businesses begin to re-organize, re-vision and re-build downtown as a welcoming place for everyone. Now that the mural art project is completed many of our businesses are hopeful to open back up and this financial support will be key in getting many of them back up and running,” said Tiffany Kenney, Executive Director, Madison’s Central Business Improvement District.