# STATE OF DOWNTOWN MADISON

2017



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Cover image courtesy of Monona Terrace Community & Convention Center

INTRODUCTION

Downtown Madison, Inc. (DMI) is proud to present its seventh annual State of the Downtown, a data driven report that provides timely, objective and accurate information about downtown Madison. Seven years of data has provided us a wealth of information to better understand the current state of our downtown and to help plan for future projects, growth, challenges and opportunities to maintain a healthy and vital central city.

The continued growth and investment in downtown Madison is positioning us to be one of the best downtowns in the country. In order to reach that goal, we need to ensure our downtown is safe, walkable, livable, fun, diverse and beautiful as well as a place that is accessible and welcoming for all. We encourage residents, businesses, organizations, property owners, city officials and the community as a whole to use the information in this report to help advance downtown Madison to be the best place for everyone to live, work and visit for generations to come.

With DMI President, Susan Schmitz, stepping down from her position after 19 years at the end of 2017, we are excited to take a special look back at the many happenings and accomplishments of our downtown over the past 20 years (see pages 4-7) and highlight some of the key indicators that will help guide our work now and well into the future!

### **BOUNDARIES & MAP**

The central downtown is defined in this report as the area bounded by Lake Mendota, Lake Monona, Blair Street and Park Street. The majority of data compiled in this report focuses on the central downtown area. On a broader scale, downtown Madison is often viewed as the Madison Isthmus from Camp Randall Stadium on the West to the Yahara River on the East. This broader definition is reflected in various metrics throughout the report, but the primary focus is the central downtown. The geographic boundaries of Madison's Central Business Improvement District (BID), 53703 zip code area as well as the Capitol East District are also used in the report.





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### **20-YEAR RETROSPECTIVE**

- $\rightarrow$  Since 1990, the population in downtown Madison has gone up by 26%
- $\rightarrow$  Since 2010, the tax base in Downtown has increased by over \$1B, or 81%<sup>2</sup>
- ightarrow 13% of the property value added to the City of Madison in the last 10 years has been in the downtown, which only makes up 1% of the City's assessable land<sup>3</sup>

Sources: 1. U.S. Census Bureau, 1990 Census; ESRI estimates, 2017 (see note about ESRI data on page 11); 2. City of Madison Planning Division; 3. City of Madison Imagine Madison 2016 City Snapshot

Economic benefit from conferences and conventions at the Monona Terrace Community & Convention Center since opening in 1997: **\$517,289,167** 

Source: Monona Terrace Community & Convention Center



DOWNTOWN SKYLINE AFTER MONONA TERRACE



Photo credit: Monona Terrace Community & Convention Center



Source: U.S. Census Bureau, 1990 Census; ESRI estimates, 2017 (see note about ESRI data on page 11)

#### Occupied Housing Units by Tenure



Source: U.S. Census Bureau, 1990 Census; ESRI estimates, 2017 (see note about ESRI data on page 11)



Source: Madison Gas & Electric, www.mge.com, Q2 figures for 53703 zip code area



#### Metro Transit Ridership



### **DEVELOPMENT & INVESTMENT**

New development completed in downtown Madison in 2016:

2 projects

\$250

\$225

\$200

\$175

\$150

\$125

\$100 \$75 \$50 \$25 \$0

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- **508** residential units
- **8,750** sq. ft. of commercial space

Residential units constructed or approved for construction in downtown Madison since 2010: **3,720**, which is about **35%** of residential units constructed or approved citywide

Acres in downtown Madison: 421, which is about 1% of acres citywide\*

Percentage of tax exempt parcel acres in downtown Madison: 38%\*

Sources: City of Madison Planning Division, City of Madison Assessor's Office (\*compiled by DMI)

### In 2017, the tax base in downtown Madison was \$2,910,696,700, an increase of \$1.03 billion, or 55% since 2011\*

Source: City of Madison Assessor's Office (\*compiled by DMI)





#### Development in Downtown Madison 2010-2017



Image Credits: 1. Strang, Inc., 2. Urban Land Interests, 3. McGrath Property Group



### RESIDENTS

#### Population

Down	town Madison	Ci	ity of	Madison	Dar	e County
2000						
22,168		208,054			426,526	
2010						
24,009		233,209	9		2	88,073
2017						
26,537		250,8	05			530,055

Age in Downtown Madison

Source: U.S. Census Bureau, 2000, 2010 Census;

ESRI estimates, 2017\*

Age Cohort	2000	2017
Under 15 years	0.8%	0.6%
15 to 34 years	87.4%	85.5%
35 to 54 years	7.7%	6.9%
55 to 74 years	2.1%	4.9%
75 years and older	2.0%	1.9%

Source: U.S. Census Bureau, 2000, 2010 Census; ESRI estimates, 2017\*

In 2017, **85.5%** of the population in downtown Madison were between the ages of 15-34 years, compared with only **39.8%** of the population citywide

Source: ESRI estimates, 2017\*





Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-year estimates\* Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year estimates\*

\*ESRI data are estimates only that may not include local changes or factors such as the increase of population due to recent development projects. These estimates and Census figures are also not direct comparisons due to differences in the sources and data collection methodologies. Comparisons are for estimates only. U.S. Census Bureau, 2011-2015 American Community Survey 5-year estimates figures are subject to a margin of error based on a 90 percent confidence interval. Per capita income figures are based on periods that contain overlapping years. Period differences in the figures may not be statistically significant. Figures are not adjusted for inflation across time periods. Income for downtown includes student population. Downtown defined as 53703 zip code for household spending on housing, available vehicles and related children under 18 years data.

### HOUSING

- → Central downtown Madison neighborhoods: 6 (Bassett, First Settlement, James Madison Park, Mansion Hill, Miffland (all part of Capitol Neighborhoods, Inc.) and State-Langdon)
- $\rightarrow$  Greater downtown Madison area neighborhoods/associations: 8 (Bayview Foundation, Inc., Brittingham Apartments Resident's Association, Greenbush, Marquette, Monona Bay, South Campus Property Owners Association, Tenney-Lapham and Vilas)

Apartment units in downtown Madison: 10,060, an increase of **35.5%** from 2011\*

New residential units constructed in downtown Madison in 2016: 508

Sources: City of Madison Assessor's Office (\*Compiled by DMI), City of Madison Planning Division





Source: Madison Gas & Electric, www.mge.com, Q2 figures for 53703 zip code area

#### Occupied Housing Units by Tenure Downtown Madison City of Madison ↑ Renter Occupied **93.3**% Owner Occupied 6.7% Owner Occupied 45.9% Renter Occupied 54.1% Source: ESRI estimates, 2017 Home Sales in Greater Downtown Madison Single-Family Condos 250 200 150 100 50 0 2010 2011 2012 2013 2014 2015 2016 Source: REALTORS® Association of South Central Wisconsin/South Central MLS

Median Sales Price in Greater Downtown Madison



Source: REALTORS® Association of South Central Wisconsin/ South Central MLS \*downtown defined as the greater downtown area

#### Average Rental Rate

\*downtown defined as the greater downtown area

-				
Location	Studio	1-Bed	2-Bed	3-Bed
Downtown Madison*	\$780	\$1,295	\$1,674	\$2,350
City of Madison	\$769	\$954	\$1,181	\$1,695
Milwaukee, WI Historic Third Ward	\$825	\$1,200	\$1,627	\$2,470
Downtown West Minneapolis, MN	\$958	\$1,403	\$2,055	\$4,337
Downtown Portland, OR	\$1,087	\$1,371	\$1,985	\$3,434
Downtown Ann Arbor, MI	\$1,292	\$1,162	\$1,371	\$2,174
Downtown Austin, TX	\$1,656	\$1,976	\$2,984	\$3,198
Downtown Washington DC	\$1,865	\$2,348	\$3,313	\$3,671

Source: RENTcafé, January 2017, \*downtown Madison defined as Capitol neighborhood area

### QUALITY OF LIFE & SAFETY



Sources: Wisconsin Department of Children & Families, YoungStar Program. Facilities include: Creative Learning Preschool Inc., Dane County Parent Council Wee Start, MATC Child and Family Center, Meriter Children's Center, Play Haven Vilas LLC, Red Caboose Day Care Center, SSM Child Care Center, University Avenue Discovery Center Inc., UW Preschool Lab, Tenney Nursery & Parent Center, Inc., and Wil Mar Neighborhood Center. Additional childcare facilities may be located in downtown that are not included in these numbers.



- Average weekly service attendance: 5,374
- Meals/people served at onsite food pantries/ meal programs in 2016: 42,072

Sources: Bethel Lutheran Church<sup>\*</sup>, Blackhawk Church-Downtown, Calvary Lutheran Chapel, Faith Community Bible Church, First United Methodist Church<sup>\*</sup>, Grace Episcopal Church<sup>\*</sup>, Harvest Church of Madison, Pres House, Madison Catholic Diocese (St. Raphael Cathedral Parish and St. Paul University Catholic Center), St. John's Lutheran Church, UW Hillel, and Wisconsin Lutheran Chapel. Additional places of worship may be located in downtown that are not included in these numbers. \*Place of worship included in onsite food pantry/meal program figure.



#### Lakes in Downtown Madison

Median Total Phosphorus (mg/L)





#### Top Criminal Offenses in Downtown Madison



Source: City of Madison Police Department (offenses include: trespass of real property, battery simple assault, theft from vehicle, theft from building, burglary, all other larceny, drug/narcotic violations, damage/vandalism of property, disorderly conduct, and liquor law violations)

### **OFFICE MARKET**

- Vacancy rate for office space in downtown Madison: **7.95%**, down from **13.4%** in 2010
- Average asking lease rate for office space in downtown Madison:
  \$19.50 \$35.00, compared to \$20.34 for Dane County
- Downtown Madison is comprised of 43.9% Class A, 42.6% Class B, and 13.5% Class C office space
  - Source: Broadwing Advisors, LLC, Xceligent, Q3 2010, Q2 2017

#### Office Space by Class in Downtown Madison





Source: Broadwing Advisors, LLC, Xceligent, Q2 2017





Source: Broadwing Advisors, LLC, Xceligent, Q3 2010-2011, Q2 2012-2017

#### Office Space Comparisons in 2017

VR - Vacancy Rate

LR - Average Asking Lease Rate



Source: Broadwing Advisors, LLC, Xceligent, Q3 2010-2011, Q2 2012-2017

### WORKFORCE

- → Percentage of workers citywide located in downtown Madison: **15.2%** 
  - Top 3 employment industries in downtown Madison are:
    - Public Administration: 41%
    - Accommodation and Food Services: **13%**
    - Professional, Scientific, and Technical Services: 10%

Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics, Beginning of Quarter Employment, 2nd Quarter of 2014

#### Number of Workers

28.560

Downtown City of Madison

Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics, Beginning of Quarter Employment, 2nd Quarter of 2014

187,296

The Barre Code

Service States of the service of



Downtown Madison	City of Madison	5%	o 10	%	20%	30%	40%
Public Administration	40.8% 10.6%						
Accommodation and Food Services	13.4% 6.6%						
Professional, Scientific, and Technical Services	9.6% 7.3%						
Educational Services	4.9% 13.4%						
Health Care and Social Assistance	4.3% 17.1%						
Finance and Insurance	4.2% 5.8%						
Administration & Support, Waste Management and Remediation	3.9% 6%						
Other Services (excluding Public Administration)	3.9% 3.3%						
Construction	3.2% 2.6%						
Retail Trade	3.1% 8.9%						
Arts, Entertainment, and Recreation	2.8% 1.1%						
Information	2.7% 2.7%						
Real Estate and Rental and Leasing	2.2% 1.5%						
Manufacturing	0.4% 5.1%						

400/ 000/ 000/ 400

Employment by Industry

Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics, Beginning of Quarter Employment, 2nd Quarter of 2014. \*Based on primary jobs, or the highest paying job for an individual worker for the year. The count of primary jobs is the same as the count of workers and figures are for estimates only. 2014 employment figures are the most recent data released by the U.S. Census Bureau and are reflected in the workforce data in this section.

0.5%

7.9%

Other

### EDUCATION

#### Higher Education in Downtown Madison





#### Primary Education in Downtown Madison



### **35%** of K-5 students at MMSD schools in the greater downtown Madison area are of a race other than white compared to **58%** of students citywide

Source: Madison Metropolitan School District, www.madison.k12.wi.us.\*

#### MMSD K-5 Enrollment by Race



Source: Madison Metropolitan School District, www.madison.k12.wi.us. \*Downtown Madison schools include: Lapham (K-2), Marquette (3-5), Franklin (K-2) and Randall (3-5) elementary schools. Figures exclude 4K and PK programs.

### **RETAIL & RESTAURANTS**

- $\rightarrow$  Vacancy rate for retail space in downtown Madison: 5%, down from 5.66% in 2016
- Inventory of retail space in downtown Madison: 1,197,500 square feet, about 8.2% of the total retail space in Dane County
- Average lease rate for retail space in downtown Madison: \$26.82, compared to \$13.63 in Dane County
- Customers helped by the BID's Downtown Information Ambassador Program in 2016: 45,443
- Customers helped at the BID's Visitor Center on State Street since opening in 2010: **146,906**
- Sources: Broadwing Advisors, LLC, Xceligent: Q2 2017, Madison's Central BID

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

Madison's Central BID is at the heart of downtown's retail/restaurant area and encompasses the greater State Street, Capitol Square and King Street areas (see map on page 3).





BID Business Ownership Mix



BID Business Space Vacancy Rates

Source: Madison's Central BID (Ownership mix figures do not include non-profits. Locally owned includes Wisconsin ownership, locally owned franchises.)

Pedestrian Counts

2,061,439

Sources: Madison's Central BID and Gibbs Report 1998 (\*greater State Street area only)





Source: City of Madison Traffic Engineering, Visio eco counter data from 2016

### **TOURISM & ATTRACTIONS**

- State and local tax revenue generated from tourism in downtown Madison:
  \$31.6 million
- → Tourism generated \$257.3 million in direct visitor spending in downtown Madison, an increase of 29% since 2011
- → Jobs directly engaged in the tourism industry: 4,152, an increase of 60% since 2011
- → Conferences and conventions at Monona Terrace Community & Convention Center in 2016:
  - Number: 67
  - Average Attendance: 737
  - Economic Impact: **\$48.2** million
  - Room Nights Generated: 44,969

Sources: Greater Madison Convention & Visitors Bureau, The Economic Impact of Tourism in Madison, WI, May 2012-2017 Tourism Economics, Monona Terrace Community & Convention Center Annual Report 2016

### Direct Visitor Spending Breakdown for Downtown Madison in 2016 (in millions)



Direct Visitor Spending Generated by Tourism in Downtown Madison (in millions)





Number of Hotel Rooms

Source: Greater Madison Convention & Visitors Bureau, The Economic Impact of Tourism in Madison, WI, May 2012-2017 Tourism Economics Source: Greater Madison Convention & Visitors Bureau (downtown defined as 53703 zip code) \*Number of rooms at the end of 2016

Visits to Destinations in Greater Downtown Madison for 2016\*



Sources: Alliant Energy Center, Big Top Baseball Breese Stevens Field, Henry Vilas Zoo, Madison Children's Museum, Madison Museum of Contemporary Art, Madison Public Library, Monona Terrace Community & Convention Center Annual Report (guests served at all catered functions), Overture Center for the Arts Annual Report (July 1, 2016–June 30, 2017), UW Athletic Department (all facilities, July 1, 2016–June 30, 2017), Wisconsin Historical Museum, Wisconsin Institutes for Discovery, Wisconsin State Capitol Tours and Information, Wisconsin Union (academic calendar year), Wisconsin Veterans Museum. \*Additional destinations may be located in downtown Madison that are not included in these numbers.



## MOBILITY

 $\rightarrow$  Mobility in Downtown Madison in 2016



Sources: Metro Transit, Madison Bcycle, Dane County Regional Airport, City of Madison Traffic Engineering, Visio eco counter data 2016, City of Madison Traffic Volume Report 2015 (isthmus counts taken at the Midtown screen line, Wisconsin Ave. & MLK Jr. Blvd.), City of Madison Parking Utility

Metro Transit Bus System Ridership



#### Median Daily Parking Rates Comparison in 2017



Sources: City of Milwaukee, parkmilwaukee.com, City of Minneapolis, City of Madison, parkme.com. Rates are from covered parking facilities owned by each city. There are 3 in Milwaukee, 16 in Minneapolis, and 5 in Madison. Chicago's garages are all leased to commercial enterprises. Early-bird special rates were not considered. Rates were calculated for an 8am-5pm parking day and rounded to the nearest dollar.

#### Means of Transportation to Work in Downtown Madison



Source: U.S. Census Bureau, 2007-2011, 2011-2015 American Community Survey 5-Year estimates; figures are subject to a margin of error. Downtown Madison defined as 53703 zip code.

#### Walk, Transit & Bike Score Comparison

Location	Walk	Transit	Bike
Downtown Portland, OR	95	92	92
Downtown Minneapolis, MN	95	97	93
Downtown Madison, WI	92	61	97
Downtown Austin, TX	90	68	93
Downtown Boulder, CO	82	59	93

Source: Walk Score®, www.walkscore.com, July 2017\*

\*Walk Score measures the walkability of any address based on the distance to nearby places and pedestrian friendliness. Transit Score measures how well a location is served by public transit based on the distance and type of nearby transit lines. Bike Score measures whether an area is good for biking based on bike lanes and trails, hills, road connectivity, and destinations. 100=high, 0=low. Occupancy Rates for Garages and Lots in Downtown Madison (percentage)



(occupancy rates measured from 10am-2pm)

### **SUSTAINABILITY**

LEED Certified and Registered Projects:

- Downtown Madison: 24
- City of Madison: 118

Source: U.S. Green Building Council, www.usgbc.org, Public LEED Project Directory, July 2017 (downtown Madison defined as 53703 zip code)

**20%** of all the LEED Certified and Registered Projects in the City of Madison are located downtown

Source: U.S. Green Building Council, www.usgbc.org, Public LEED Project Directory, July 2017 (downtown Madison defined as 53703 zip code)

#### Active Living Index (September 2016)



The Active Living Index (ALI) is an assessment tool that evaluates how conducive a place is to active living. 100=high, 0=low.

Source: Active Living Index, a cooperative effort by Capital Area Regional Planning Commission, City of Madison Planning Division and Madison Area Transportation Planning Board, http://www.cityofmadison.com/data. Image provided by City of Madison Planning Division



Sources: City of Madison, www.cityofrnadison.com, MadiSUN Solar Map, and Madison Gas & Electric solar projects, www.mge.com, July 2017

## Community-Supported Agriculture Farm Pick-up Locations

Downtown Madison



Source: Fair Share CSA Coalition, www.csacoalition.org, Farm Pickup Location Map, July 2017



Source: Gardens Network, danegardens.net, July 2017



### CAPITOL EAST DISTRICT

- → The Capitol East District is directly east of the central downtown and is bounded by Lake Mendota, Lake Monona, Blair Street and the Yahara River (see map on page 3)
- $\rightarrow$  New development completed in the Capitol East District in 2016:
  - 2 projects
  - 262 residential units
  - **118,912** sq. ft. of commercial space
- → Residential units constructed or approved for construction in the Capitol East District since 2010: 1,478
- → Tax base in the Capitol East District in 2017: \$1,002,219,400, an increase of 35% since 2013\*
- → Real estate and personal property taxes generated in the Capitol East District in 2017: \$20,866,894 up about \$3.4 million since 2013\*

Source: City of Madison Planning Division, City of Madison Assessor's Office (\*Compiled by DMI)



#### Population



Source: U.S. Census Bureau: 2000, 2010 Census and ESRI estimates: 2017. \*ESRI data are estimates only that may not include local changes or factors such as the increase of population due to recent development projects. These estimates and Census figures are also not direct comparisons due to differences in the sources and data collection methodologies. Comparisons are for estimates only.

# From 2000 to 2017, the population of the Capitol East District has increased by 10.3%

Source: U.S. Census Bureau: 2000 Census and ESRI estimates, 2017\*

#### Workers



Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics, Beginning of Quarter Employment, 2nd Quarter of 2014. Based on primary jobs, or the highest paying job for an individual worker for the year. The count of primary jobs is the same as the count of workers and figures are for estimates only. 2014 employment figures are the most recent data released by the U.S. Census Bureau.

#### New Construction (in millions)



Source: City of Madison Assessor's Office (\*compiled by DMI)

### THANK YOU TO THE 2017 STATE OF THE DOWNTOWN SPONSORS



Produced in September 2017 by:



Downtown Madison, Inc. is committed to planning for, sustaining and growing downtown Madison as a thriving regional economic engine that offers a best-in-class quality of life for businesses, residents and visitors.