



# City of Madison

City of Madison  
Madison, WI 53703  
www.cityofmadison.com

## Master

**File Number: 18565**

**File ID:** 18565

**File Type:** Resolution

**Status:** Items Referred

**Version:** 2

**Reference:**

**Controlling Body:** COMMUNITY  
DEVELOPMENT  
AUTHORITY

**Lead Referral:** BOARD OF  
ESTIMATES

**File Created Date :** 05/18/2010

**File Name:** Madison Public Market 2010 Site Analysis

**Final Action:**

**Title:** SUBSTITUTE - Accepting the 2010 Madison Public Market (MPM) Site Analysis for locating a Madison Public Market and the Economic Contribution of the Proposed Madison Public Market to the Regional Economy Reports (collective "the Reports"), and the Recommendation that the Government East Parking Ramp be selected as the preferred site for the development of a Madison Public Market, and authorizing the Mayor and City Clerk to enter into an agreement with Common Wealth Development, Inc., to provide \$100,000 in funds to proceed with the preparation of documents and materials for the preliminary architectural and engineering services; management of budget, fundraising, and outreach; market operations; and updates to tenant leasing reports.

### Notes:

**Sponsors:** Marsha A. Rummel

**CC Agenda Date:**

**Enactment Date:**

**Attachments:** MPM report may 10.pdf, MPM Matrix\_Appendix A May 10.pdf, MPM Additional Site Info May 10 (Appendix B).pdf, MPM Economic Impact Study.pdf, David Ward MPM Handout June 16 2010.pdf, 18565-version1.pdf, Presentation 062110.pdf

**Enactment Number:**

**Author:** Mark A. Olinger, Director, Dept. of Planning & Community &

**Hearing Date:**

**Entered by:** afreedman@cityofmadison.com

**Published Date:**

### Approval History

Version	Date	Approver	Action
1	05/19/2010	Daniel Bohrod	Approve
2	06/11/2010	Daniel Bohrod	Approve

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Community and Economic Development Unit	05/18/2010	Referred for Introduction				
	<b>Action Text:</b>	This Resolution was Referred for Introduction					
	<b>Notes:</b>	Referred to Board of Estimates, Plan Commission, Community Development Authority, Economic Development Committee, Community Development Block Grant Committee, and Transit and Parking Commission.					
1	COMMON COUNCIL	05/18/2010	Referred	BOARD OF ESTIMATES			Pass
	<b>Action Text:</b>	A motion was made by Ald. Rummel, seconded by Ald. Verveer, to Referred to the BOARD OF ESTIMATES. The motion passed by voice vote/other.					
	<b>Notes:</b>	Additional referrals to Plan Commission, Community Development Authority, Economic Development Committee, Community Development Block Grant Committee, Transit and Parking Commission					
1	BOARD OF ESTIMATES	05/20/2010	Refer	PLAN COMMISSION		06/21/2010	
	<b>Action Text:</b>	This Resolution was Refer to the PLAN COMMISSION					
	<b>Notes:</b>						
1	BOARD OF ESTIMATES	05/20/2010	Refer	COMMUNITY DEVELOPMENT AUTHORITY			
	<b>Action Text:</b>	This Resolution was Refer to the COMMUNITY DEVELOPMENT AUTHORITY					
	<b>Notes:</b>						
1	BOARD OF ESTIMATES	05/20/2010	Refer	ECONOMIC DEVELOPMENT COMMITTEE		06/16/2010	
	<b>Action Text:</b>	This Resolution was Refer to the ECONOMIC DEVELOPMENT COMMITTEE					
	<b>Notes:</b>						
1	BOARD OF ESTIMATES	05/20/2010	Refer	COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE		06/03/2010	
	<b>Action Text:</b>	This Resolution was Refer to the COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE					
	<b>Notes:</b>						
1	BOARD OF ESTIMATES	05/20/2010	Refer	TRANSIT AND PARKING COMMISSION		06/08/2010	
	<b>Action Text:</b>	This Resolution was Refer to the TRANSIT AND PARKING COMMISSION					
	<b>Notes:</b>						
2	COMMON COUNCIL	06/01/2010	Referred	COMMON COUNCIL			Pass
	<b>Action Text:</b>	A motion was made by Ald. Clear, seconded by Ald. Cnare, to Referred to the COMMON COUNCIL. The motion passed by voice vote/other.					
	<b>Notes:</b>						
2	COMMUNITY DEVELOPMENT BLOCK GRANT COMMITTEE	06/03/2010	Return to Lead with the Recommendation for Approval	BOARD OF ESTIMATES			Pass
	<b>Action Text:</b>	Rummel moved acceptance of the report/Choudhury seconded. Unanimous approval.					
	<b>Notes:</b>	Morton said that their Public Market report concluded that the Government East Ramp is an appropriate site for the Public Market and that it is a joint project with the City, Common Wealth Development, and Blue Planet Partners. Morton noted that with 40,000 square feet, 58 new businesses would be created along with many new jobs in both construction as well as jobs in the market.					

Whitesel suggested beginning with the basics.

Gay, who represented the City as staff to the Public Market, stated that the Government East parking ramp will be torn down and replaced with 3 tiers of parking underground. Gay said that the first floor of the Government East lot will be the public market, which would have about \$200/square feet, and then 2-3 floors above as office space. Gay went on to say that the resolution authorizes \$100,000 for studies to move the public market forward. Gay stated that the public market would be allowed inside the TIF district with site analysis approval.

Choudhury noted that job analysis section presumes that jobs are great and said she was not impressed with the data as presented.

Morton said that Common Wealth was asked to look at other sites, but with their limited resources, they could not do a revision to the capital/operating budgets.

Choudhury felt as if she was steered into this site and felt that the report lacked some level detail.

O'Callaghan wondered if Morton could talk about the public market process to date.

Morton said that she had a lot of involvement in the process prior to this, however, she did not do a lot of outreach beyond the First Settlement and more outreach was done at the Brayton site.

O'Callaghan had thought about another recent project where there was a lot of discussion about process.

Rummel pointed out that this accepts a report and provides funds for preliminary plans, but development would still need to be approved; it could be a hotel, parking lot, public market, train station, etc.

Morton agreed that more detail is needed before we could move forward.

Whitesel wondered if the size of parking was in flux.

Gay said it was along with high speed rail plans.

Whitesel wondered how this would affect farmers market during the summer.

Morton said that the site was for the winter months; however, their sample showed that indoor market sales go down on the day of an outdoor market.

O'Callaghan wondered about the timeframe for this project.

Morton clarified that there was a 2011 parking design, construction could begin in 2012 in which the public market would take one year to construct and that all things could fall into place within 2-3 years.

2	TRANSIT AND PARKING COMMISSION	06/08/2010	Return to Lead with the Recommendation for Approval	BOARD OF ESTIMATES	Pass
---	-----------------------------------	------------	--	-----------------------	------

**Action Text:** Planning and Community and Economic Development Director Mark Olinger discussed the proposal to locate a public market above the new Government East (GE) underground parking facility, and requesting \$100K for preparation of preliminary materials related to same:

- Public markets offered a way to introduce fresh, local foods, and provided economic opportunities.
- Review of several dozen sites for a year-round public market began in 2005-6, following which Brayton Lot was recommended in 2008.
- Reasons for this: Brayton Lot was a development-ready site, located on E. Washington, where people would like to see re-development; its proximity to two major market segments -- office workers during the day and residents at night, so it wouldn't sit vacant for a large period of the day; and its location on land largely controlled by the City (Parking Utility).
- Subsequently, the Mayor and Alder Gruber requested that three more sites be analyzed: the Don Miller or Mautz site, Union Corners and Gov East.
- The resulting site analysis found that while Brayton still looked good, the imminent rebuilding of Gov East, which possessed attributes similar to Brayton, afforded a better timeline to establish a public market sooner.
- The recent selection of downtown for the high-speed rail station along with an enlarged Gov East and possible hotel at MMB, further supported this recommendation.
- Historically, most public markets had some sort of public ownership; cities either owned the market outright and ran it, or owned the real estate with a long-term lease to an operator; cities also helped with capital campaigns to raise funds for their markets.
- The sense was that public markets could not support a huge amount of debt service; they really needed most of their capital infrastructure paid upfront, through grants, capital campaigns, fund-raising, etc.
- There was a range of possibilities re: how the market would be built and who would own it; but some sort of City involvement in this process would be needed.
- The City would not operate the market; a separate organization would run it on a day-to-day basis; this could be Commonwealth Development, who was contracted for first two phases and who had some experience in running incubators; but this would be determined later.
- The market would cost approx. \$9 million; square footage had been scaled down from 67K at Brayton to 45K at Gov East -- a good size, like North Market in Columbus, OH, which had a million visitors/year.
- The funding attached to the report would go towards architectural and engineering services to look at how to knit together the market, underground parking, potential hotel, additional city space, air rights development; and updates to plans re: tenant/leasing, marketing, outreach, fundraising, and programming.

Olinger responded to questions as follows:

- The site was located in TID #25.
- The \$100K would support the next phase of planning, with other phases to follow.
- Meshing the market with other plans for office space, rail station, bike center, multi-modal facilities, air rights, etc., would require coordinated effort.
- The Mayor had created teams to look at high-speed rail related to the corridor, station location, and potential redevelopment of MMB and GE blocks; and an RFP for master planning services was being drafted.
- Looking at MMB and GE and how iterations could occur in either block, most would agree that there was a good synergy of uses; however, specific requirements would need to be met re: access, service deliveries, minimum ceiling heights, HVAC, etc.
- This preliminary planning would feed into the larger planning effort regarding how the different pieces might fit into the two blocks, and how phasing might occur (with trains arriving in 2012).
- The \$100K to develop workable plans for tenant leasing, operation and maintenance, and fundraising would help bolster confidence; esp. to quickly see if it was feasible to raise the \$9 million needed to build a market, by assessing the depth of interest locally and regionally and testing this against the realities of fundraising.
- These plans would help prepare for development in this area and answer a lot of questions before construction began.
- In terms of notifying departments of the proposal, the idea for a public market at Gov East had been mentioned at a standing staff meeting on high-speed rail; and hard copies of the report had been distributed to agencies.
- When asked what distinguished this from the many other ideas floated for Gov East, Olinger said that the state-of-the-art for new parking structures in most cities was to install first-floor retail; the public market would be just that.
- With developments along the King and Pinckney blocks and block 89, downtown spaces were filling in (as hoped); redevelopment at GE would further enhance the downtown streetscape and marketplace, and would build on the Wed. and Sat. Farmers Markets and could include a Winter

Farmers Market, which was looking for a home.

- This would play well upon the visitor business at Monona Terrace, and other uses in/around the Square.
- This wouldn't change current plans for the large, underground plate for parking that could go down 3-4½ levels; topography was likely to remain the same, depending on placement of parking entrances/exits, dumpsters, etc.
- In terms of public financing, an operating assumption would be to keep the Parking Utility whole; funding could come from sources other than the City or City Parking Utility (for example, \$500K HUD funding might be available).
- Recognizing the urgent need to move ahead with Gov East, everyone hoped to reach a decision about the proposal quickly, with the item scheduled to be back at Council on July 6th.

A motion was made by Schmitz, seconded by Hinz, to accept the Site Analysis and Return to Lead with the Recommendation for Approval of the resolution.

Commenting that the market may be a worthy project, Bergamini was concerned about moving so fast, esp. in view of the many other uses that had been discussed for this very valuable real estate. For example, the group hadn't been updated on discussions with Marcus Corp. While she didn't object to the substance of the report, she did object to receiving the proposal only a few days earlier and being expected to release additional money to move ahead with planning on a project that had a rather predetermined end. Bergamini, seconded by Sanborn, made a substitute motion to refer the item to the July meeting.

Bergamini noted that the exact location for the station hadn't yet been decided; and more study was needed for a multi-modal facility and traffic flows in the area. She wanted some of these questions resolved before deciding if the public market would be the highest and best use of this site. Olinger confirmed that planning options for the site included more than just a market. Olinger also mentioned federal TIGER 2 grants for transportation improvement projects, which might be available for planning to look at how all the different components would fit together. Uses at MMB and GE could include a hotel, multi-modal facility, offices, residential, with the intent being to develop the two blocks to the maximum extent feasible, to give the best return on investment. Bergamini pointed out that the resolution selected Gov East for a market and pre-selected Commonwealth Development as the consultant.

At 6:00 PM, discussion on this item was interrupted in order to move to Item F.1., the public hearing. Discussion of this item resumed at 6:35 PM.

Schmitz remarked that a complex project like this had lots of moving parts, which were unlikely to be decided within a month. She was comfortable approving the resolution right away. When asked whether he had been involved in planning related to the resolution, Knobloch said he was involved in discussions about a market at Brayton Lot and here, and was regularly involved in train discussions. He thought development at Gov East at grade level and above was likely. Noting that the Parking Utility owned Gov East and the City owned MMB, Knobloch said that original cost estimates were based on building 820 stalls underground; but project plans had become much bigger. Parking was not in a position (with reserves and borrowing capacity) to finance these expanded plans, or to help fund the market.

Hinz did not support referral of the item because he did not see what new info would be available in a month to change what was being proposed. Olinger agreed that there were a lot of planning pieces to put together related to the rail station and development of the area. The proposal would provide some of the planning info needed to help move the process along. He said that Planning staff would be happy to return over the next few months to keep the group informed.

District 6 Alder Marsha Rummel spoke before the group. She said that she hoped the proposal wouldn't be referred for a month, because nothing would really change by then. After years of discussing different proposals for the parcel and things being kept on hold, she thought this idea created the potential for incredible synergy between Gov East, the public market, and the entry way to the new train station. While not the only possible use for this site and not yet having all the answers, Rummel nonetheless thought the proposal represented an exciting opportunity; visitors arriving from the train station could egress to a public market where they could get decent food from Wisconsin.

Bergamini withdrew her substitute, without objection from other members. A vote was taken on the original motion recommending approval, which passed by voice vote/other.

Notes:

- 2 COMMUNITY DEVELOPMENT AUTHORITY 06/10/2010  
**Notes:** Olinger introduced the resolution and answered questions from Board members. A motion was made by Levitan, seconded by Thompson-Frater, to refer to the July 8 meeting to allow the commissioners more time for review. The motion passed by voice vote.
- 2 ECONOMIC DEVELOPMENT COMMITTEE 06/16/2010 Return to Lead with the Recommendation for Approval BOARD OF ESTIMATES Pass  
**Action Text:** A motion was made by Selkove, seconded by Sanchez, to Return to Lead with the Recommendation for Approval to the BOARD OF ESTIMATES. The motion passed by the following vote:  
**Notes:**  
Excused: 2 Mark Clear and Joseph W. Boucher  
Ayes: 9 Peng Her; Victoria S. Selkove; Julia Stone; Gabriel A. Sanchez; Douglas S. Nelson; Edward G. Clarke; Matthew C. Younkle; Chris Schmidt and Joseph R. Clausius  
Noes: 1 Alfred L. Zimmerman
- 2 PLAN COMMISSION 06/21/2010 Return to Lead with the Recommendation for Approval BOARD OF ESTIMATES Pass  
**Action Text:** A motion was made by Bowser, seconded by Gruber, to Return to Lead with the Recommendation for Approval to the BOARD OF ESTIMATES. The motion passed by voice vote/other.  
**Notes:** The motion passed unanimously.
- 2 COMMUNITY DEVELOPMENT AUTHORITY 07/08/2010
- 2 BOARD OF ESTIMATES 07/12/2010
- 

**Text of Legislative File 18565**

**Fiscal Note**

Funding of \$100,000 is available in the PCED Adopted Capital Budget Project. No. 19, "Preliminary Planning," Account No. 810425.

**Title**

SUBSTITUTE - Accepting the 2010 Madison Public Market (MPM) Site Analysis for locating a Madison Public Market and the Economic Contribution of the Proposed Madison Public Market to the Regional Economy Reports (collective "the Reports"), and the Recommendation that the Government East Parking Ramp be selected as the preferred site for the development of a Madison Public Market, and authorizing the Mayor and City Clerk to enter into an agreement with Common Wealth Development, Inc., to provide \$100,000 in funds to proceed with the preparation of documents and materials for the preliminary architectural and engineering services; management of budget, fundraising, and outreach; market operations; and updates to tenant leasing reports.

**Body**

WHEREAS, on November 18, 2008, the Common Council accepted the Madison Public Market Report: Key Findings Report which identified the Brayton Lot as the preferred location of the Madison Public Market (Enactment No. RES-08-01019, Legislative File ID No. 12178); and

WHEREAS, Council requested that City staff, along with Common Wealth Development and Blue Planet Partners, explore additional sites that might be better locations for the Market beyond Brayton Lot; and

WHEREAS, \$60,000 was approved in the 2009 Capital Budget to permit further site and economic analysis for up to three (3) additional locations to occur; and

WHEREAS, Common Wealth Development, Inc., Blue Planet Partners, and the City utilized the \$60,000 to prepare a MPM Site Analysis for locating a Madison Public Market and the Economic contribution of the proposed Madison Public Market to the Regional Economy; and

WHEREAS, Common Wealth Development, Inc., and Blue Planet Partners have satisfactorily completed the Reports after reviewing three (3) additional MPM locations; and

WHEREAS, after a thorough review of alternative sites, including Union Corners, East Washington Avenue in the Capitol East District, and the Government East Parking Ramp, the Reports identified the Government East Parking Ramp as the preferred site alternative for both its proximity to employment, residential, and visitor centers, as well as the short-term potential to develop the market, is superior to other locations that have been identified; and

WHEREAS, the Reports have identified the economic benefit of the proposed MPM on the new preferred site, Government East Parking Ramp, and concluded a positive effect will result from a financial, employment generation, local foods, and retail market strengthening position, and

WHEREAS, the recent announcement by the Governor of the new High Speed Rail (HSR) station location at Monona Terrace, provides an extraordinary opportunity to create a vibrant Public Market in the middle of a dynamic mixed-use area containing the rail station, ample parking, new offices, a new hotel, etc., potentially exposing hundreds of thousands of potential new customers for the Public Market every year; and

WHEREAS, locating the Public Market at Government East will provide an opportunity to expand the shopping experience downtown and increase the breadth of goods available, including the bounty of local farmers and local small businesses; and

WHEREAS, the development of the Madison Public Market project is consistent with the City's adopted Comprehensive Plan by capitalizing on the connection between rural and urban communities, to build a local/regional food economy that will provide for both economic development, and agricultural preservation; and

WHEREAS, the MPM Financial, Fundraising and Community outreach document will provide an updated preliminary capital budget, operational budget, fundraising plan, community outreach plan, and provide for the hiring of grant writing assistance; and

WHEREAS, the MPM Operational Documents will revise the new site's goals and objectives, prepare a draft management plan with identification of Board Director roles and targets, and update the MPM draft business plan documents; and

WHEREAS, MPM report upgrades will make modifications to the MPM demographic report, market survey report, tenant leasing plan, tenant mix, and physical space plan; and

WHEREAS, funds are needed to work with the City and other consultants in preliminary architectural and engineering work to coordinate MPM space planning and operational requirements with the engineering of a new Government East Park Ramp; and

~~WHEREAS, the project is consistent with the adopted Comprehensive Plan through capitalizing~~



~~on connection between rural and urban communities to build a local/regional food economy that will provide for both economic development and agricultural preservation; and~~

WHEREAS, the City will be an integral part of the Project team and will have complete access to information that will be produced as a result of the Project; and

WHEREAS, the Common Council will be briefed during the process, and the results of the Project will be shared with the Common Council upon its completion; and

WHEREAS, funds expended through this process can be recovered through the TIF district that covers the areas under consideration for the MPM, provided, such expenditures of funds are consistent with the TIF District project plans; and

WHEREAS, the objectives as set forth in the applicable TIF Districts' project plans are consistent with the City's goals of enhancing the financial sustainability of our local and downtown economy through employment and enterprise creation.

NOW THEREFORE BE IT RESOLVED, that the Common Council accepts the 2010 Madison Public Market (MPM) Site Analysis for locating a Madison Public Market and the Economic Contribution of the Proposed Madison Public Market to the Regional Economy.

BE IT FUTHER RESOLVED, that the Mayor and City Clerk are authorized to enter into agreement with Common Wealth Development, Inc., for \$100,000 to support the preparation of the MPM preliminary physical site and infrastructure documents for the new site (Government East Parking Lot), MPM Financial, Fundraising and Community Outreach for the new site, MPM Operational documents for the new site, and MPM report upgrades for the new site and that staff of the Department of Planning & Community & Economic Development will continue to manage the elements of this Resolution in order to timely establish the Madison Public Market at the Government East Parking Ramp.