



Parking Division

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TO: Finance Committee, Transportation Commission, Common Council
FROM: Christof Spieler, Director of Transportation
DATE: March 20, 2026
SUBJECT: Legistar 92294 – Bakers Place Long Term Lease Agreement

History of the Livingston Garage

The South Livingston Street Garage was the product of a public/private partnership between American Family Insurance and Gebhardt Development in a pre-pandemic era. The intention of the garage was to primarily serve the Gebhardt and Spark buildings on weekdays and the public on nights and weekends. The Gebhardt and Spark buildings have no parking of their own and this partnership created an effective use of land during the weekdays while supporting public access to neighboring entertainment businesses which are primarily open on nights and weekends. It was anticipated that over 550 office workers would be working in the Gebhardt and Spark buildings every weekday. Almost all spaces were leased via a long-term weekday lease arrangement with Gebhardt and American Family.

The pandemic changed the structure of both companies' workforce. Neither office building achieved the weekday occupancy that was originally anticipated.

Given the lack of utilization by the office buildings and the eventual termination of the original leases make it beneficial for the City to find additional sources of use and lease revenue. In support of long-term land use, revenue stability, and TDM initiatives the Parking Division has entered into additional public/private partnership agreements with area hotels, developments, and businesses as occupancy supports.

Summary of the Previous Bakers Place Long Term Lease (Legistar 71614)

Bakers Place Development focused on available onsite resources to reduce the tenant need for vehicles. As part of this strategy Bakers Place negotiated with the Parking Division a long-term lease of the South Livingston Garage for 20 reserved spaces up to 40 reserved spaces on nights and weekends.

The rate was variable as determined by the number of spaces Bakers Place asked to reserve, with no minimum required usage, at a discounted rate of the current maximum overnight and weekend garage rate plus 10% for administrative costs.

The term was for 20 years with the option of two 5-year extensions.

Summary of the Proposed Bakers Place Long Term Lease

While Bakers Place was developed prior to TDM ordinances the currently proposed lease agreement in addition to the onsite parking would comply with current TDM requirements. The current parking ratio is

0.53 stalls per unit remaining lower than neighboring developments. The proposed agreement is designed to meet Bakers Place's realized tenant interest for parking as not for night & weekend parking exclusively but rather for 24/7 garage access. In conversation with the Parking Division the proposed lease agreement was formed to replace the currently executed long-term lease agreement.

The proposed lease no longer dictates reserved spaces but rather switches to a permit model. Bakers Place will mandatorily pay for access to 20 permits per month with additional permits available upon request not to exceed 50 permits.

A monthly parking permit guarantees parking availability for the permit holder in the garage or lot, even if the lot is "full". There are no assigned parking stalls, permit holders should park in any legal stall in the lot or garage. However, the reserved space is subject to overselling during surge events based on historically observed permit usage.

The current rate of the agreement per permit is \$154/month. This rate is set at the standard permit rate (set by ordinance at \$140 for a 24/7 permit) plus 10% to cover administration costs. It is not a discount from the rate the public receives as was the previous agreement. It will increase if permit rates increase. Bakers Place can resell the permits to its tenants, adding its own "reasonable service fee."

The revenue of the proposed agreement at current permit rates will generate minimum of \$36,960 up to \$92,400 per year. The contract is a 10-year term with two 5-year extension options.

Current Occupancy and Access to the South Livingston Garage

South Livingston Garage has 671 spaces total. 582 are currently on daytime long-term leases and 113 are on long term night & weekend leases, including the former Bakers Place lease. This contract will reduce the number of spaces committed to nightly long-term leases and thus increase parking availability for public. The proposed Bakers Place agreement also opens the permitted spaces to over sale if physical usage is not realized. Currently public parking is by the hour/day only, we anticipate having parking permits available to the public in the future.

Conclusion

The Parking Division recommends the acceptance and execution of the proposed long-term lease agreement with Bakers Place.