

COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF MADISON, WISCONSIN

Resolution No. 4029

Authorizing the extension and amendment of the contract for property management services at The Village on Park between Siegel Gallagher Management Company and the CDA.

Presented May 8, 2013
Referred _____
Reported Back _____
Adopted _____
Placed on File _____
Moved By _____
Seconded By _____
Yeas _____ Nays _____ Absent _____
Rules Suspended _____

The Community Development Authority of the City of Madison (the "CDA") entered into contract with Siegel Gallagher Management Company ("Siegel Gallagher) for property management, construction management and leasing services on March 17th, 2005 and subsequently executed seven amendments to the contract (the "Management Agreement"). The Management Agreement as amended expired on March 18th, 2013. Siegel Gallagher and the CDA would like to amend the Management Agreement and extend the term for an additional 3 years.

In addition, Siegel Gallagher no longer has leasing representatives in Madison, Wisconsin.

The Management Agreement includes but is not limited to the following terms:

- Compensation for management services equal to the greater of \$3,200 or 4% of gross receipts on a monthly basis
- Reimbursement equal to 100% of the direct cost of a maintenance technician
- Provision of Construction Management Services with compensation equal to 5% for the first \$500,000 of construction costs and 3% for construction costs in excess of \$500,000
- Provision of Leasing Services with commissions equal to 70 cents per square foot per year for transactions with no outside broker, \$1 per square foot per year if there is an outside broker, and 40 cents per square foot per year for renewals.
- Termination without cause by either party with 90 days written notice

The CDA would like to amend the Management Agreement as follows:

- Elimination of Construction Management Services
- Elimination of Leasing Services
- Reimbursement for the cost of a maintenance technician at an hourly rate equal to the hourly rate paid to the maintenance technician plus \$10.

The CDA would like to extend the Management Agreement for three years with the amendments described above.

NOW, THEREFORE, BE IT RESOLVED that the CDA is hereby authorizes the amendment and extension of the Management Agreement as described above

BE IT STILL FURTHER RESOLVED that the Chair and Secretary of the CDA are hereby authorized to execute and deliver such documentation as is necessary to carry out the terms set forth in this Resolution.