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Community By Design, Inc
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Madison, WI 53705

Union Corners Committee Questions to Developers

Cover page

Destination Union Corners



Site plan with key

The Specific Question: How can we guarantee it?

Unfortunately, I cannot absolutely guarantee that I can make this development design happen. There is so much complexity and history to be woven together and in some cases overcome, that it would be foolish to try to guarantee these uses will happen. It is important to understand that Gorman has been developing their design for awhile now, and Livesy has the design team who has been working on it since the Mcgrath plan, but we as a team have only had about 6 weeks [plus our time spent with the CNU competition] to generate our submission to the RFP. We recognize that we are behind the curve with regard to design development, but we really can't do a whole lot more unless we are chosen by the selection committee. Currently, we cannot get an audience with City Staff or the Mayor, or others to explore the design concepts, ownership structure, feasibility and previous work until the selection has been made to maintain "fairness to others" in the RFP selection process. But if we are selected we will get to that point in a couple of months, so we urge the committee to pick the best plan, and not base their selection based on how far along each proposal is.

What I can guarantee is to work extremely hard to make it happen. I can offer to invest a great deal of time and energy to work with City Staff, Committees, and all other interested parties including neighborhood groups and other development companies and organizations to make this design as good as it can get. We'd really like to review some of the previous assumptions in the Public Market Site Analysis and Arts Incubator at the Garver Feed Mill regarding siting of these uses given this design and analyze whether they remain valid in our proposal. If selected we will also invest in design development and illustrations and plans that will make the vision clearer to all, and work with all to get the project financed, constructed and occupied. If we can get it done, I feel confident that it will be one of the finest, most beloved places in Madison.

I also believe that this Union Corners location and proposed combination of uses, highlighted by the Public Market and Arts Collaborative, which support each other, and which are supported by the Mainstreet district and hotel and urban design, which are all supported by the East Washington (and multi modal) traffic, is the absolute best location for this plan and these uses anywhere in Madison. Nowhere else offers the ability to combine these symbiotic uses in such a visible and accessible and convenient and ultimately appropriate location.

I would never guarantee that if these uses fail at Union Corners they would fail anywhere else, but I can't imagine them having as good a chance as they would have at Union Corners. I guarantee I will try. And in the unlikely event this plan does materialize you could always go back to the UW Clinic plan.

Sincerely,

Peter W. Frautschi- CNU-A

Parking:

1. Parking for the Public Market, Hotel, and Library/commercial support building would primarily occur within the parking structure in the center of that block. The structure would extend underground one or two levels and above ground by two or three levels. This structure would provide roughly 575 to 600 stalls and serve the greater development as well (mainstreet shops, guest parking, etc). This structure would be almost completely screened by buildings except for openings and associated signage.

Parking for multi family or mixed use buildings would primarily be underground beneath the building and would target 1.5 stalls per residential unit. Lesser density multi family and single family would have alley fed attached or detached garages or parking spaces at 1.5 to 2 stalls per unit.

Onstreet parking would be maximized along the east/west streets and only temporarily allowed on the north/south Woonerf like streets.

Parking for the Arts Collaborative is currently undesignated, as the scope of the use is still relatively undefined. If significant parking is required it may be constructed beneath the building.

2. All but the on-street parking would be almost completely screened by buildings except for openings and associated signage.

Valuation/City Assistance/Finance:

3. Please refer to the RFP submission or the financial analyses at the end of this document for these figures
4. We estimated the deficit between cost and market value at completion to be roughly \$11,275,000. Of that amount, the large parking structure is estimated to cost \$10,800,000. The other internal roads and infrastructure would more than make up the rest. These figures are very preliminary and would surely change as design progressed. With the ownership structure undetermined at this time and the possibility of public ownership of a significant portion of the proposal which may affect property taxation, and current TIF policies broadly based on property taxation, TIF may not be the appropriate type of public support for this proposal. There are many such alternatives.
5. Please refer to the RFP submission for these figures. In it we used educated guess figures per building type that we expect to have parking, street and infrastructure costs built in.

General:

6. Timing, proposed uses, and feasibility. Because the proposed uses are very publicly oriented and have a great deal of “history” associated with them, it seems likely to be a fairly long process to define what exactly the Public Market and Arts Collaborative are. Our idea is more like the Pike’s Market (Seattle) and West Side Market (Cleveland)- bigger, multi-tenanted markets, [versus a couple farmers in a kiosk or tent or section of a grocery store as in the other Union Corners submissions], and a large arts facility oriented towards studios, exhibits and educational opportunities and cooperative equipment (like kilns, bellows, classrooms) for a wide range of arts. But there are many visions in the

community of what these two building types should be and it will take some time and effort to distill the best vision.

Part of the vision revolves around feasibility. Some expect discounted prices and a focus on the surrounding neighborhood, while others envision a regional destination that also serves the neighborhood. This generates questions about ownership structure and management. A for profit ownership structure will require market driven rents and prices, while a publicly owned and non-profit management structure might be able to affect rents and prices. And this issue in turn affects property tax increments and revenues, (and also affects competing businesses). For our part, we are willing to be very flexible on these issues, but would require a reasonable return on any personal investment.

Which leaves timing. Resolving the issues above could take a good number of months, perhaps a year or more. If it is the committees' primary goal to get a project in the ground, this proposal is not likely to meet those needs. In that event they should probably choose Gorman's more shovel ready proposal. We hope this is not the primary objective in the selection committee's decision process.

7. We could proceed relatively quickly with approvals and construction of the residential development to the south of the reconstructed Winnebago Street (parcel 2507), and could be ready for construction beginning in the Spring of 2013. By then we would have a much better idea of the schedule for the Public Market and Arts Collaborative.
8. The best idea from competing proposals is the UW Heath Clinic. We would suggest locating it on the 2340 Winnebago St site if the other properties on the block could be included and the size of the block was sufficient. Otherwise we could see it on the 2507 site as well. Both of these sites would serve the Clinic's needs (2340 would have greater visibility, but that is not as important to a clinic): both could provide future access from a rail/transit facility and also support our proposed uses for 2504. Either site could also move ahead quickly.

Housing:

9. The first two housing projects would occur on the 2507 Winnebago parcel, and would include the small lot single family and some or all of the rowhouse buildings. The small lot single family project would likely be sold to home builders as spec lots or build-to-suit homes. The other buildings would be built as leasing or sales contracts are obtained which would secure financing. We would expect to work with WHEDA within some of their financing programs. If marketing is successful these projects could be underway as of spring 2013. Some of sub parcels in our plan would make good opportunities for co-housing or other more group oriented housing opportunities.
10. See RFP submission or table at the end of this document for 2507 Winnebago St. design and numbers
 - Small lot homes would be expected to be owner occupied, Rowhouse multifamily could be a mix of rental and owner occupied as determined by market demand
 - 2507 Winnebago
 - Shown on submission
 - Within one year of construction

11. Generally expected to reflect the demographics of the surrounding neighborhood-targeting diverse cross section of 80 to 120% of county median income levels, with opportunity to serve some of higher or lower income levels. Inclusive focus rather than exclusive.
12. If a third party is interested in developing an age restricted [exclusive] project there is opportunity for that, however, we do not expect to limit ages in buildings we construct, but expect that many properties that will be served by elevator will be accessible to all ages and abilities [inclusive].
13. For buildings we construct, we would rather integrate than segregate by age or any other lifestyle descriptor.

Transportation/Transit: In a general sense Vehicular traffic is organized around the perimeter, and Pedestrian is primary within the core and interior. Vehicular traffic in the interior areas is mostly to access parking, deliveries and pick ups. On street parking is expected to be used by visitors and will help control traffic speeds to 25 mph or less and discourage through-traffic. Sidewalks will be wide enough to accept slow moving bike traffic, while faster bikers will use the streets.

14. The majority of the traffic using the anchors are expected to arrive by automobile and park in parking structures or on-street parallel parking. We would also expect to maximize transit use by providing convenient bus stops, and are excited to hear of proposed express service and would hope to have a stop. We would also strive to provide adequate bike parking. The entire design concept focuses on providing a lively pedestrian environment for anyone walking to the site and having once arrived walking around the district. Finally, if a commuter or light rail system should become a future reality we envision the southwest portion of 2507 as a prime location for a rail stop.
15. Our project is all about the sense of place. Extending Winnebago give shape to the blocks and a nod to historical land use patterns. The shape of the blocks allows for a dynamic open space along the auto dominated East Wash, anchored at both ends by show piece publicly oriented facilities, and connected by the Mainstreet shop district.

The E Wash park is many things:

- A billboard for all that goes on in the site.
- An event space for art fair goods, festivals, concerts and other gatherings.
- A Buffer for safety and comfort from the industrial and highway atmosphere of E wash. as seen from the Main St Shops.
- It could have more intimate spaces as well such as sculpture garden, picnic tables, smaller scale recreation features, gathering area for neighborhood residents from both sides of E. Wash. for picnics, and smaller social interactions.
- Extension of any Madison wanted attraction temporary or long term, Water playground, Ice rink, Video screens, concert stages, performance area, kiosks, It is a housing area for any Madison wanted festival, Blues, Jazz, Beer, Wine, Cheese, German, Italian, Polish, etc...

- We envision dynamic park spaces where activities that could range from a leisurely stroll through a changing sculpture garden or picnic across from the Mainstreet shops and cafes, while at special moments these same spaces could host fun filled festivals or celebrations or other mid scale entertainment venues.

All of the buildings are oriented so that pedestrian traffic funnels to lively public plazas, or lingers along sidewalk shops and cafes or in the park.

The Public Market Building at the east end of the park is itself is an exciting shopping environment and envisions a seating area facing East Wash so that passing traffic can catch a glimpse of the visitors and vice versa. This market would serve the neighborhood, City and entire region as a shopping destination. The 2010 Site Analysis for locating a Public Market states that the Pike Place Market in Seattle is “by far the largest tourist venue in the Pacific Northwest.”

The Arts Collaborative Building is a beautiful building in the west end of the park, with glass volumes extending out from the main mass providing vertical circulation and also exhibition space also visible to passing traffic. It would also be a regional destination facility for artists, art instruction, and art students and admirers of a wide variety of disciplines. These two anchors connected by the park would draw a large number of diverse visitors to the site, while still serving many needs of the neighborhood.

Then, further support of these exciting venues is the Mainstreet shop district across the street from the south side of the park, still visible from East Wash, but separate enough to become it own special place, with sidewalk cafes, art galleries, and other neighborhood retail and businesses. Adding an appropriately sized hotel supports all of these uses and the neighborhood, by providing temporary residences to visitors and visiting family members, guests, and even vendors.

Surely, this plan would become the most exciting and inviting place along East Wash, bar none.

16. Most of this activity would occur within the large parking structure or along the Woonerf side streets, or during off hours. The grade level of the parking structure would be high enough to allow access to mid sized trucks including garbage and recycling. The Woonerf side streets would have short term delivery parking and pick-up facilities.

Design:

17. In addition to the qualities of place described in 15. above, all of which would serve to enhance the pedestrian experience along East Wash, and across the street, the architecture would pay homage to the context in terms of styles and materials in many ways such using brick from the French Battery building or similar to it throughout the development, which would expand Union Corners’ identity to mesh with the greater area.

Our proposal places buildings up to the sidewalk at the corner of East Wash and Milwaukee and at the end of the park space, which maintains the urban character of the corner, but softens the environment as you reach the park (across from residential uses

across East Wash). We keep the corner urban. The Mainstreet district also reinforces the urban building pattern at the corner and directs that pattern along Winnebago towards Schenks Corners and Atwood (and/or terminates that pattern coming from the other direction).

18. Yes, and/or entrances will be very evident from East Wash.

19. Unlikely

20. They will look different, but within a common language of materials and proportions and styles. Like speaking English in Chicago or Fargo- its understandable as English but also recognizably different. It will look like Madison, not like Disney or Tudor England or like a space station.

21. These are all shown in the RFP submission and included in the site plan attached to this document.

Commercial Space:

22. We believe that if the Public Market and Arts Collaborative are successful and vibrant and the overall urban environment is highly enjoyable, they could attract a critical mass of shoppers to support the Mainstreet district. The Mainstreet district would likely lean toward cafes, galleries and entertainment, but there would also be opportunities for other neighborhood retail and services, such as a salon, specialty bookstore, bike shop, second floor offices and so forth. The urban design would discourage highway commercial users (or at least the highway commercial appearance).

23. The Arts Collaborative could be a pretty large building catering specifically to the arts, whether it be painters, potters, photographers, jewelry makers, musicians, glass blowers, dance, or even suppliers. It could have individual or group studios, classrooms (to learn or teach), exhibition spaces, and private or shared equipment such as kilns, sets, lighting, audio or video equipment, and possibly shared services such as marketing, reception, business training and so on. Imagine the opportunities for multi faceted explorations and the creative juices that would flow in that environment!

24. Pretty much explained in 22.

25. Pretty much explained in 22.

26. Pretty much explained in 22. But note that if the regional draws are successful so would the smaller neighborhood uses like a dentist office or child care.

Jobs:

27. We would expect to use local contractors, and all likelihood they would be union shops. From there, there is not much we could do to dictate that nearby residents would receive preferential treatment.

28. We could promise to pay living wages and a first chance to submit job applications to nearby residents for any commercial entities that we manage or maintain long term ownership.

29. We are not a construction company, but could make these goals known to all those submitting construction bids.

Environmental:

30. Interior streets would be public, with public stormwater systems/storm sewers. The east west streets would be curbed, the north/south streets would be narrow and possibly without curbs, more resembling Woonerven.

31. Around 70% of flat roof areas will have green or white roofs. Most south facing sloped roofs will incorporate solar if feasible.

32. Yes

33. Covered in 15. And 17.

34. The area reserved for a future rail station could be used for community gardens. It would remain City property so management issues would be decided by the City.

35. The park ownership structure would likely mirror the ownership structure of the Public Market and Arts Collaborative. If these facilities are Publicly owned (or managed-including non-profit management) it would make sense for the park to be publicly owned.

Page Break:-----

Financial
supplements:

Program and Financial Analysis For Union Corners Submission

Type	number	sf/flr	# of flrs	Total sf est sf	\$/sf		Total cost
					cost ave	Land cost	
Single Family/Duplex	8	640	2	10,240	\$ 130 total	\$ 20,000 \$ 160,000	\$ 1,331,200
Multi-Family							
bldg 1	8	3600	2	7,200	\$ 150	\$ 48,000	\$ 1,080,000
bldg 2	14	7200	2	14,400	\$ 150	\$ 84,000	\$ 2,160,000
bldg 3	10	4800	2	9,600	\$ 150	\$ 60,000	\$ 1,440,000
bldg 4	18	6000	3	18,000	\$ 135	\$ 108,000	\$ 2,430,000
bldg 5	10	5250	2	10,500	\$ 150	\$ 60,000	\$ 1,575,000
bldg 6	16	4800	3	14,400	\$ 135	\$ 96,000	\$ 1,944,000
bldg 7	7	4200	2	8,400	\$ 150	\$ 42,000	\$ 1,260,000
bldg 8	12	4000	3	12,000	\$ 135	\$ 72,000	\$ 1,620,000
bldg 9	3	1750	3	5,250	\$ 165	\$ 18,000	\$ 866,250
bldg 10	8	4800	2	9,600	\$ 150	\$ 48,000	\$ 1,440,000
bldg 11	4	3200	2	6,400	\$ 135	\$ 24,000	\$ 864,000
bldg 12	10	3400	3	10,200	\$ 140	\$ 60,000	\$ 1,428,000
bldg 13	7	2800	3	8,400	\$ 150	\$ 42,000	\$ 1,260,000
bldg 14	14	4900	3	14,700	\$ 150	\$ 84,000	\$ 2,205,000
bldg 15				-			\$ -
Totals	141	60,700		149,050		\$ 846,000	\$ 21,572,250

Type	number	sf/flr	# of flrs	Total sf	cost	land cost	Total cost
Public Market				55,000	\$ 200	\$ 550,000	\$ 11,000,000
Added uses- office, other				26,000	\$ 200	\$ 312,000	\$ 5,200,000
Art Market				27,500	\$ 150	\$ 206,250	\$ 4,125,000
Main Street Bldgs							
bldg 1 non-res		10500	1	10,500	\$ 200	\$ 52,500	\$ 2,100,000
res	20		2	21,000	\$ 150	\$ 157,500	\$ 3,150,000
bldg 2 non-res		10800	1	10,800	\$ 200	\$ 54,000	\$ 2,160,000
res	20		2	21,600	\$ 150	\$ 178,200	\$ 3,240,000
bldg 3 non-res		9000	1	9,000	\$ 200	\$ 45,000	\$ 1,800,000
res	10		2	18,000	\$ 155	\$ 139,500	\$ 2,790,000
Parking ramp	# of stalls 360	sf/flr 21,600	flrs 5	stall 300	\$/stall \$ 30,000	\$ 270,000	\$ 10,800,000
Hotel				90,000	\$ 200	\$ 630,000	\$ 18,000,000
Parcel Held in Land Bank/Temp Use						\$ 250,000	
TOTALS	199 du			\$ 448,990 sf		\$ 3,850,950	\$ 108,840,700
Total Costs							\$ 108,840,700
Total Initial Value							\$ 97,564,246
Deficit [Costs exceed Initial Value]							\$ 11,276,454

Financial Analysis For Union Corners Submission (cont.)

estimated average Rental Income									
sf/unit	ave				gross rent		net rent		
1,280	br/unit	rent /sf or br	per month	per year	expense %	per year	cap rate	market value	
900	2	\$ 473	\$ 7,560	\$ 90,720	20.00%	\$ 72,576	7.0%	\$ 1,036,800	
1,029	2	\$ 473	\$ 15,120	\$ 181,440	20.00%	\$ 145,152	7.0%	\$ 2,073,600	
960	2	\$ 473	\$ 10,080	\$ 120,960	20.00%	\$ 96,768	7.0%	\$ 1,382,400	
1,000	2	\$ 425	\$ 17,010	\$ 204,120	20.00%	\$ 163,296	7.0%	\$ 2,332,800	
1,050	2	\$ 473	\$ 11,025	\$ 132,300	20.00%	\$ 105,840	7.0%	\$ 1,512,000	
900	2	\$ 425	\$ 13,608	\$ 163,296	20.00%	\$ 130,637	7.0%	\$ 1,866,240	
1,200	3	\$ 473	\$ 8,820	\$ 105,840	20.00%	\$ 84,672	7.0%	\$ 1,209,600	
1,000	2	\$ 425	\$ 11,340	\$ 136,080	20.00%	\$ 108,864	7.0%	\$ 1,555,200	
1,750	3	\$ 520	\$ 4,198	\$ 50,376	20.00%	\$ 40,301	7.0%	\$ 575,723	
1,200	3	\$ 473	\$ 10,080	\$ 120,960	20.00%	\$ 96,768	7.0%	\$ 1,382,400	
1,600	3	\$ 425	\$ 4,536	\$ 54,432	20.00%	\$ 43,546	7.0%	\$ 622,080	
1,020	2	\$ 441	\$ 9,996	\$ 119,952	20.00%	\$ 95,962	7.0%	\$ 1,370,880	
1,200	3	\$ 473	\$ 8,820	\$ 105,840	20.00%	\$ 84,672	7.0%	\$ 1,209,600	
1,050	2	\$ 473	\$ 15,435	\$ 185,220	20.00%	\$ 148,176	7.0%	\$ 2,116,800	
Totals			\$ 147,628	\$ 1,771,536		\$ 1,417,229		\$ 20,246,123	
Rental Income (includes load factors)									
Public Market		\$ 28	\$ 126,042	\$ 1,512,500	30.0%	\$ 1,058,750	8.0%	\$ 13,234,375	
Added uses- off		\$ 25	\$ 54,167	\$ 650,000	30.0%	\$ 455,000	8.0%	\$ 5,687,500	
Art Market		\$ 21	\$ 48,125	\$ 577,500	30.0%	\$ 404,250	8.0%	\$ 5,053,125	
Main Street Bldgs									
bldg		\$ 20	\$ 17,500	\$ 210,000	30.0%	\$ 147,000	8.0%	\$ 1,837,500	
bldg		\$ 18	\$ 31,500	\$ 378,000	30.0%	\$ 264,600	8.0%	\$ 3,307,500	
bldg		\$ 20	\$ 18,000	\$ 216,000	30.0%	\$ 151,200	8.0%	\$ 1,890,000	
bldg		\$ 18	\$ 32,400	\$ 388,800	30.0%	\$ 272,160	8.0%	\$ 3,402,000	
bldg		\$ 20	\$ 15,000	\$ 180,000	30.0%	\$ 126,000	8.0%	\$ 1,575,000	
bldg		\$ 18	\$ 27,000	\$ 324,000	30.0%	\$ 226,800	8.0%	\$ 2,835,000	
Parking ramp									
Hotel								\$ 18,000,000	
Parcel Held in Land Bank/Temp Use								\$ 250,000	
Total Initial Value of Improvements								\$ 97,564,246	

Supplemental Impact Analysis For Union Corners Submission

Real Estate Tax Impact Analysis

Current Assessed Value	\$	3,600,000
Final Assessed Value (assuming all uses are non-tax exempt and equal to construction costs)	\$	108,840,700
Incremental gain in base value	\$	105,240,700
multiply by estimated mill rate		2.50%
Added annual property tax receipts	\$	2,631,018

Regional Economic Impact

Total Construction Costs	\$	108,840,700
Estimated percentage of Total Construction Costs Spent Locally		89.69%
Construction Costs Spent Locally	\$	97,620,009
Indirect Economic Impact Multiplier		1.6862
Total Regional Economic Impact	\$	164,606,860

Job Creation and Support

Estimated Number of jobs created and supported per \$1,000,000 of regional construction costs		13.8
Construction Costs Spent Locally	\$	97,620,009
Number of Jobs Created and Supported by Construction		1,347

Long Term Job Creation and Employment Impact

Estimated Square Footage of Non-residential Development		250,000
Estimated Square Footage per Job Created		250
Number of long term jobs created		1,000
Average hourly wage per job	\$	12.00
Annual wage total per job	\$	24,960
Total annual payroll from wages	\$	24,960,000
Total Contributory Payrol (71%)	\$	17,721,600
Regional Impact Multiplier		1.65
Total Annual Economic Impact	\$	29,240,640