

TO: Mayor Soglin and Members of the Common Council

FROM: Blocks 88/105 City Staff Team

RE: Status Report

DATE: June 15, 2011

Introduction: On February 22, 2011, the Common Council authorized a path forward for the planning in Block 88 (Municipal Building block) and Block 105 (Government East Ramp), which was to be called Public Market Square. The project, announced in September 2011 by former Mayor Cieslewicz, introduced the City's intent to plan for the Public Market Square Development District, as follows:

*"a twelve block area on the southeast side of the Capitol Square as identified in the City's federal TIGER grant application with a focus on the two blocks adjacent to the planned high speed rail station at 101 East Wilson Street. The District will include a new Madison Public Market and other supportive retail, and replacement of the aging Government East parking ramp with a new structure, a bike station, intermodal transit links and possibly office space and a hotel."*

Getting Started: To focus on this emerging vision, the Mayor formed an interdisciplinary City staff team in October 2010 to move the planning forward and bring together in a single, multi-disciplinary team the individual components...parking, public market, bicycle station, rail station, hotel...which were being pursued independently of each other through other staff work and outside contracts. Chaired by George Austin under a contract with the City, the staff team organized itself to move the planning forward, leading to the development of a preliminary schedule where the individual work components were integrated into an overall schedule which began to reveal the network of commitments needed to make a project a reality.

This work revealed the following realities.

1. The construction of the Government East ramp replacement parking needs to be staged so that the removal of the Government East ramp doesn't temporarily eliminate the parking supply that is necessary to support the vibrant commercial district in this quadrant of the Square.
2. The public market planners believed the best site for the market is Block 105, but the financial feasibility analysis was yet to be completed.
3. Marcus Hotels has development rights in Block 88 regarding any future hotel development. It believes Block 88 to be the best site for additional rooms to support Monona Terrace. Understanding how Block 88 could be developed is pivotal to the approach to the development of Blocks 88 and 105.

4. Understanding the future role for the Madison Municipal Building, on the National Register of Historic Places, and City of Madison's needs for office space are an important early issue to consider.
5. Sorting through the competing uses proposed for Block 105 has to be thought about as a whole and not independently of one another in order for the project to be successful.
6. Receipt of the \$950,000 TIGER II planning grant from the federal government establishes the opportunity to plan on a larger scale for transit oriented development in this quadrant of the central business district.

A Path Forward: In December 2010, the Federal Department of Transportation took back the funding for the high speed rail project. Given the need to replace the Government East ramp soon due to its condition, the staff team concluded that the goal to complete the first phase of the parking by the end of 2013 should still be the Team's goal even though the parking for the high speed rail station was no longer a near term element of the project.

Given the complex, multiple issues related to this development, the City Staff Team recommended that the City create the foundation upon which a successful mixed use development on Blocks 88 and 105 can occur. To this end, the Staff Team believed the City should continue to plan with the expectation that a multi-modal transit hub will occur in this quadrant in the future. The lost opportunity for passenger rail today doesn't preclude it in the future and proper planning will enhance the ability to achieve that element in the future. On January 15, 2011, the Staff Team recommended the following path forward which the Council endorsed on February 22, 2011:

1. Engage in a 90 day joint planning process with Marcus Hotels for Block 88. By jointly planning, the underground parking ramp which would be connected to the parking ramp in Block 105, can be properly designed to support the above grade uses. The Parking Utility staff is participating in the joint planning effort and is not moving ahead independently until the work is completed. The 90 day planning process will produce for consideration by City decision makers architectural floor plan concepts of all parking levels of a possible parking ramp in Block 88 and architectural floor plan concepts of above-grade buildings in Block 88 integrated with the parking garage below. During the 90-day joint planning period, the City of Madison and the Marcus Hotels will also begin to formulate the conceptual responsibilities of the respective parties and the economic framework for future planning.
2. Issue a Request for Proposals for planning services for the Public Market Square in Block 105 while the joint planning work is underway for Block 88. The Block 105 proposed consulting team and agreement will come back for Council approval before proceeding. The Block 105 planning consultant can be retained by the end of the 90 day period and move forward in context with the product of the Block 88 joint planning work.

3. Looking a bit farther ahead, the selected planning consultant for Block 105 will also assist the City with the planning of the larger 12 block area identified in the successful TIGER II grant application, which will need to be authorized separately by the Common Council following the completion of Phase I.

Next Steps: The Block 88 joint planning work commenced in May following a re-confirmation of the objectives of the joint planning study with Mayor Soglin. The Staff Team expects to have information available for further review by the end of July.

For Block 105, the Request for Proposals was issued on February 28, following the Council's February 22 authorization to proceed. Eight consultant teams responded to the RFP on the April 19 due date. The selection committee then created a short-list of three teams for interviews, which were conducted on May 18. All three teams interviewed well but the selection committee made a strong, unanimous choice of the Kimley Horn/Potter Lawson/Urban Assets team. The Kimley Horn team provided a well coordinated interview, very relevant experience and a strong public engagement plan. As prescribed by the City following the interviews, the Kimley Horn team then submitted its cost proposal for Phase I of the work, a conceptual plan for Block 105. The selection committee has now completed the negotiation of the final scope of the work and price, which are the subject of the Council resolution being introduced for referral on June 21. Consistent with the Council's action on June 7, the public market land use has been removed from the project scope of services.

The goal is to have the consultant team under contract and commencing work by the end of July.

Respectfully submitted,

Blocks 88/105 City Staff Team