



City of Madison

City of Madison
Madison, WI 53703
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Master

File Number: 42435

File ID: 42435

File Type: Resolution

Status: Passed

Version: 2

Reference:

Controlling Body: BOARD OF ESTIMATES

File Created Date : 04/07/2016

File Name: Amending RES-15-00893 and Approving the Selection of a Judge Doyle Square Development Team With Which to Commence Negotiations and Directing Further Actions

Final Action: 04/19/2016

Title: SUBSTITUTE: Amending RES-15-00893 and Approving the Selection of a Judge Doyle Square Development Team With Which to Commence Negotiations and Directing Further Actions

Notes:

Agenda Number:

Sponsors: Paul R. Soglin, Sara Eskrich, Denise DeMarb and Michael E. Verveer

Effective Date: 04/22/2016

Attachments: Alder Questions as of April 7, 2016.pdf, City - Negotiating Team Report to BOE - Addendum (Final) 3 18 16.pdf, City - Negotiating Team Report to BOE 2 15 16.pdf, City - Negotiating Team Report to BOE 4 8 16(FINAL).pdf, MMSD TID 25 Memo.pdf, JDS Memo RESJI.doc, RESJI Impacts sidebyside.xls, RESJcomp JDS 04082016.doc, 2016-04-11 Corrected Public Comment.pdf, 42435 Version 1.pdf

Enactment Number: RES-16-00317

Author: David Schmiedicke, Finance Director

Hearing Date:

Entered by: eschumann@cityofmadison.com

Published Date:

Approval History

Version	Date	Approver	Action
1	04/07/2016	Laura Larsen	Approve

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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1	Finance Department	04/07/2016	Refer	BOARD OF ESTIMATES	04/11/2016
	Action Text:	This Resolution was Refer to the BOARD OF ESTIMATES			
	Notes:	This item was introduced directly to the Board of Estimates and not referred by the Common Council.			
1		04/11/2016			
2	BOARD OF ESTIMATES	04/11/2016	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER		Pass
	Action Text:	A motion was made by Eskrich, seconded by DeMarb, to RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER. The motion passed by the following vote: AYES: Marsha A Rummel; Michael E. Verveer; Barbara Harrington-McKinney; Sara Eskrich; Maurice S. Cheeks; Paul R. Soglin and Denise DeMarb.			
		A motion was made by DeMarb, seconded by Cheeks, to RECOMMEND TO COUNCIL TO ADOPT VERSION 1 - REPORT OF OFFICER.			
		Alder Verveer motioned (Rummel seconded) to proceed with Beitler Real Estate Services version A. The motion passed by the following vote: 4-2: AYE: Verveer, Cheeks, Rummel, Harrington-McKinney; NO: DeMarb, Eskrich; NON VOTING: Soglin). Alder Eskrich made a substitute motion (DeMarb seconded) to proceed with Beitler Real Estate Services version B. The motion passed by the following vote: 4-3: AYE: DeMarb, Eskrich, Cheeks, Soglin; NO: Harrington-McKinney, Rummel, Verveer. The motion was unanimously made the primary motion; there were no dissenting votes to the primary motion.			
	Notes:	A motion was made by DeMarb, seconded by Cheeks, to RECOMMEND TO COUNCIL TO ADOPT VERSION 1 - REPORT OF OFFICER.			
		Alder Verveer motioned (Rummel seconded) to proceed with Beitler Real Estate Services version A. The motion passed by the following vote: 4-2: AYE: Verveer, Cheeks, Rummel, Harrington-McKinney; NO: DeMarb, Eskrich; NON VOTING: Soglin). Alder Eskrich made a substitute motion (DeMarb seconded) to proceed with Beitler Real Estate Services version B. The motion passed by the following vote: 4-3: AYE: DeMarb, Eskrich, Cheeks, Soglin; NO: Harrington-McKinney, Rummel, Verveer. The motion was unanimously made the primary motion; there were no dissenting votes to the primary motion.			
		A motion was made by Eskrich, seconded by DeMarb, to RECOMMEND TO COUNCIL TO ADOPT THE SUBSTITUTE VERSION B (15 VOTES REQUIRED) - REPORT OF OFFICER. The motion passed by the following vote: 4-3: AYE: DeMarb, Eskrich, Cheeks, Soglin; NO: Harrington-McKinney, Rummel, Verveer.			
2	COMMON COUNCIL	04/19/2016	Amend the Substitutue		Fail
	Action Text:	A motion was made by Harrington-McKinney, seconded by Zellers, to Amend the Substitutue as follows:			
		If the negotiating committee feels they are not making progress on a more economically palatable version of option B they should pursue option A.			
		This motion failed by voice vote/other.			
2	COMMON COUNCIL	04/19/2016	Adopt - 15 Votes Required		Pass
	Action Text:	A motion was made by Verveer, seconded by Rummel, to Adopt - 15 Votes Required. The motion passed by the following vote:			
		There was 1 registrant in support.			
		There were 3 registrants in opposition.			

Text of Legislative File 42435

Fiscal Note

The 2016 Adopted Capital Budget includes \$53,137,000 for the Judge Doyle Square project. Funding for the project is split between TID 25 cash (\$21.2m), Parking Utility reserves (\$18.0m), and proceeds from the land sale (\$13.9m). The 2016 capital budget reflects this funding across projects in the Economic Development Division, Parking Utility, and Engineering.

- Economic Development Division, TID 25-Judge Doyle Square (pg. 287)
 - Budget: \$32.8m
 - Use: Funding available for project costs consistent with Council resolution and project plan amendments.
- Parking Utility, Judge Doyle Square Garage (pg. 354)
 - Budget: \$18.0m (Parking Utility Reserves)
 - Use: Construction costs associated with replacement of Government East parking ramp
- Engineering-Facilities: City Fleet Stalls-JDS (pg. 293)
 - Budget: \$1.3m (Land Sale Proceeds)
 - Use: Purchase of 40 parking stalls for City's fleet housed at the Madison Municipal Building
- Engineering-Ped/Bike: Bike Station (pg. 299)
 - Budget: \$1.0m (Land Sale Proceeds)
 - Use: Construction of Bike Station at the Government East parking ramp as part of the renovation efforts

Additional background information on the project can be found at the Judge Doyle Square page on the City Planning website (<http://www.cityofmadison.com/planning/judgeDoyleSquare/>).

Staff resources from the Department of Planning & Community & Economic Development, Finance, Traffic Engineering, Parking Utility, Monona Terrace and City Engineering will be allocated to provide support for the negotiation process without the need for an additional appropriation.

All future expenditures associated with the project will require further Council approval other than the costs associated with the review and developer selection and negotiations with the selected developer.

Title

SUBSTITUTE: Amending RES-15-00893 and Approving the Selection of a Judge Doyle Square Development Team With Which to Commence Negotiations and Directing Further Actions

Body

WHEREAS, on November 17, 2015, the Common Council adopted RES-15-00893 to request that the remaining three RFP respondents update their respective Judge Doyle Square proposals based on specific criteria included in RES-15-00893 and to submit those updated proposals to the City no later than January 19, 2016;

WHEREAS, on November 18, 2015, a Letter of Direction was sent to the remaining RFP respondents instructing them to incorporate the criteria in RES-15-00893; and

WHEREAS, on January 19, 2016, two of the three development teams, Beitler Real Estate Services of Chicago, IL and Vermilion Enterprises of Chicago, IL, submitted updated proposals to the City; and

WHEREAS, on February 15, 2016, the Negotiating Team presented an informational report to the Board of Estimates regarding the two proposals, and the Board of Estimates decided to accept both proposal updates recognizing that neither development team had provided a response that met all the requirements of the RFP or the Letter of Direction, and further directed that developer interviews be scheduled and posed further questions for each development team to address; and

WHEREAS, on March 9, 2016, the Board of Estimates conducted developer interviews and requested alternate proposals that more closely conformed with the RFP and Letter of Direction, and directed the Negotiating Team to prepare an additional information report which incorporated the alternate proposals and was considered by the Board of Estimates at its meeting of March 21, 2016; and

WHEREAS, on April 11, 2016, the Board of Estimates received a third informational report from the Negotiating Team, a report from the Racial Equity and Social Justice Initiative Team and a comprehensive list of responses to Alder questions on the respective proposals; and

WHEREAS, on April 11, 2016, the Board of Estimates considered all the information received throughout the process and recommended that the City proceed with negotiations with Beitler Real Estate Services;

NOW, THEREFORE BE IT RESOLVED that the Common Council does hereby approve the selection of Beitler Real Estate Services as the Judge Doyle Square Development Team with which to commence negotiations on proposal version B and directs the following actions:

1. Direct the Judge Doyle Square Negotiating Team to immediately initiate negotiations with the selected development team and to report back to the Board of Estimates by June 27, 2016 with a final term sheet; and
2. Provide regular status reports on the negotiating progress to the Board of Estimates at its regularly scheduled meetings in May and June of 2016.

BE IT FURTHER RESOLVED, that the Common Council amends RES-15-00893, in the following manner, in order to conform the project requirements stated therein to the proposals accepted by the Board of Estimates:

1. Paragraph 3(a) is amended to read as follows:
"Strict adherence to the project Requirements of the City's RFP (Page 8) with the exception of numbers 1, ~~and 9 and 10(b)~~. Instead, proposals can address development on both blocks or on either Block 88 or Block 105, and City space options on Block 88 and 105 are not required."
2. Paragraph 3(c) is amended to read as follow:
"Improve the functionality of the parking ramp design. Applications without a fully below-grade parking structure option ~~will not be considered, though~~ and additional alternatives that reduce cost by moving ~~some~~ parking above ground will be considered."
3. Paragraph 3(f) is amended to remove the second sentence which states: "TIF provided for private components shall be self-supporting, supported by project increment within

the lifetime of the applicable Tax Increment District (TID).”