



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Approved TRANSIT AND PARKING COMMISSION

PLEASE NOTE: This meeting can be viewed in a live webcast of Madison City Channel at
www.madisoncitychannel.com.

Wednesday, October 19, 2016

5:00 PM

Madison Senior Center
330 W. Mifflin Street
Ground Floor/Lobby

Please note: Items are reported in Agenda order.

A. CALL TO ORDER/ROLL CALL

The meeting was called to order at 5:00 PM. Poulson noted that Parking items would be pushed back on the agenda, because staff was attending another meeting at the same time, and would be delayed.

Present: 7 - David Ahrens; Ledell Zellers; David E. Tolmie; Wayne Bigelow; Gary L. Poulson; Margaret Bergamini and Kenneth Golden

Excused: 4 - Rebecca Kemble; Ann E. Kovich; Michael M. Johnson and Kenneth M. Streit

Please note: Streit arrived at 5:12 PM, during Item H.1. and Kemble arrived at 6:33 PM, during Item H.7.

B. APPROVAL OF MINUTES

A motion was made by Bigelow, seconded by Golden, to Approve the Minutes of the September 14, 2016 meeting. The motion passed by the following vote:

Ayes: 5 - David Ahrens; Ledell Zellers; Wayne Bigelow; Margaret Bergamini and Kenneth Golden

Abstentions: 1 - David E. Tolmie

Excused: 4 - Rebecca Kemble; Ann E. Kovich; Michael M. Johnson and Kenneth M. Streit

Non Voting: 1 - Gary L. Poulson

C. PUBLIC APPEARANCES

None.

D. DISCLOSURES AND RECUSALS

Golden disclosed that his daughter's mother-in-law ran a restaurant on Williamson Street; but he had no contact with her about the parking issue. Later in the meeting during F.2., Golden disclosed that a couple of years back, someone who was interested in opening a music venue on E. Washington, had approached him to help connect the person to the City Traffic Engineer. He did so, as a favor to a friend; he didn't get paid; and that was the extent of his involvement. [Please note: The meeting proceeded to Item E.2.]

E. TRANSIT AND PARKING MONTHLY REPORTS

- E.1. [44764](#) Parking: October 2016 Activity Report, and August Revenue/Expense/Occupancy Reports - TPC 10.19.16
Bigelow/Tolmie made a motion to receive the report. The motion passed by voice vote/other. [Please note: The meeting proceeded to Item F.2.]
- E.2. [44765](#) Metro: YTD Performance Indicators for Fixed and Paratransit - TPC 10.19.16
[Please note: This item followed Item D.] Bigelow/Tolmie made a motion to receive the report. The motion passed by voice vote/other.

F. NEW BUSINESS ITEMS

- F.1. [44545](#) Relating to Ceres Crossroad Services, LLC, Lunar Cycle Services, LLC, and Mercury Transport, LLC, applications for Pedal Cab operator licenses.
Poulson noted that due to a snafu, the resolution was not introduced/referred at the Council as expected. The operators involved had provisional licenses, so a delay in approving the resolution would not be a problem. A motion was made by Bergamini, seconded by Bigelow, to Refer to the November meeting of the Commission. The motion passed by voice vote/other. The meeting proceeded to F.3.
Please note: A Roll Call is shown here to reflect that Kemble and Streit were present when the vote was taken on Item F.2., which followed Item H.7., out of agenda order.
Present: 9 - David Ahrens; Ledell Zellers; Rebecca Kemble; David E. Tolmie; Wayne Bigelow; Gary L. Poulson; Margaret Bergamini; Kenneth Golden and Kenneth M. Streit
Excused: 2 - Ann E. Kovich and Michael M. Johnson
- F.2. [44762](#) Authorizing the Mayor and City Clerk to execute a Development Agreement to facilitate the development of the "Spark" project, the "Cosmos" project, and the Capitol East District Parking Structure on the 800 south blocks of East Washington Avenue and East Main Street; and, amending Res-16-00674 which authorized the City to execute a contract with Graef-USA Inc. for up to \$610,000, to authorize expenditures of up to \$776,560 to complete architecture/engineering for a Capitol East District Parking Structure.
[Please note: This item followed Item E.1.] Poulson read the registration slips (attached), and invited those who wished to speak to do so.
1) Jessica Becker, E. Dayton Street, 53703, registered in opposition, and wrote: Using TIF to support a ramp that will enable a music venue and bar (intended to attract drinking/driving) is problematic, and has implications that should be vetted by the neighborhood.
2) Betty Bergquist, representing American Family, registered in support; and was available for questions.
3) Otto Gebhardt, representing Gebhardt Development, registered in support; and was available for questions.

- 4) Angela Black, representing Gebhardt Development, registered in support; and was available for questions.
- 5) George Austin, representing Starting Block Madison, registered in support; and was available for questions.
- 6) Eve Paras, representing the Orpheum Theater, registered and spoke in opposition:
- * Since the developments were listed as mutually exclusive but bundled together with a parking ramp, she supported Spark, but opposed the music venue, and the way the garage was structured.
 - * If the new special event rates were approved, rates at State St Cap could be higher than at Cap East, which would shift business from the State Street area out to the east side.
 - * She wasn't sure if the garage was being built for the neighborhood, since most of the stalls were designated for monthly parkers locked in for several years at \$56/stall vs. \$150/stall for State St Cap and other garages, which hardly seemed fair.
 - * What if these stall users were to stay late at work on the night of an event, and the music venue needed those stalls? Or if the next morning, cars from the night before were left, and permit holders needed the space?
 - * With an average of 2.5 people/car for musical event, that would amount to 1,000 cars for parking.
 - * Paras distributed a 2013-2016 Pollstar Report (attached) that showed Madison Music Venues Yearly Event Count (averages), which altogether for the four venues was half the number of events/year than projected for the new music venue.
 - * If the new garage was depending on the revenue from the new venue, it was not likely to meet projections shown in its operating model.
 - * Compared to types of events at Overture, being a state-of-the-art facility, the new venue sounded like it could present any type of show.
- 7) John Belknap, Curtis Court, 53703, registered in opposition: No Frank Prod - never; no TIF.
- 8) Curtis Brink, owner of Brink Lounge, registered and spoke in support:
- * This was about a ramp for the whole area. The music venue was a separate, conditional use issue.
 - * When they bought Mautz paint 14 years ago, E. Washington was a 3-story street. In creating Archipelago Village, they went through a protracted 3-year discussion to get the height and density to where it was today (with no assistance); they developed their model and created nothing.
 - * They bought the Buy & Sell Shop to create an increment for the area, with nobody into it. Cathy Dethmers of High Noon Saloon was their first tenant 12 years ago. She was not against the music theater.
 - * With music at the Brink six night/week, he was an active music venue owner himself.
 - * The beauty of the ramp and the agreement was that the ramp would be built on MG&E property, and the infill site would not take up valuable increments of land between E. Main and E. Washington; and kept the increment on the site being sold by the City.
 - * The parking would allow American Family (who could go anywhere) to come in with 300+ employees, and get Starting Block off the ground.
 - * Gebhardt had a 60K-sq. ft. office building, for which he had a ~50% commitment.
 - * They needed the parking in the area. With the bus detour, they had lost parking on Williamson Street over the summer. This would be an economic

boom for all. The area really had no day parking at all.

* In Parking's economic sustainability model, revenue was based on parking from 6 AM-6 PM. On weekends, the Brink, Brass Ring and High Noon served 1,000 people. This was not even included in the revenue projection model.

* Parking was necessary here, as shown by the Kimley-Horn study, part of a series of things to make this area successful. Central Park had no parking; Willy Street businesses could use more day parking for their employees; as well as Breese Stephens, which had helped them all out.

* The music venue was a separate issue.

* American Family had worked a year on their strategic plan, which would include an iconic building, support for Starting Block (to keep young people here), and would help all the businesses in the area.

* He liked many elements in the way the City negotiated this.

9) Andrew Gussart, representing the Orpheum Theater, registered and spoke in opposition:

* He was appearing under threat of a law suit. After speaking before a City body about this issue previously, he received a cease and desist letter from Otto Gebhardt and Angela Black.

* As he called people asking them to testify, they said they were afraid of a law suit. In speaking to Cathy Dethmers, she said she couldn't talk about this because she needed to have a business relationship with people. So to say she was for this, was disingenuous.

* Most of the music people in town who ran music venues were against this, inc. the person at Knuckle Down Saloon who just testified against this at Economic Development, knew this would be detrimental to them.

* Parking should not be asked to build a structure for really good projects (Am Fam/Starting Block), along side of a controversial concert venue that was used to justify many of the revenue figures, and which was turned down by the neighborhood and the City in 2014.

* By charging special event rates lower than rates for events at State Street, they would get less revenue. As an economic development, this would be shifting money, shifting concerts/shows from the Barrymore, Orpheum, Overture.

* Some said this wasn't about the venue, but the venue wouldn't exist without it. And once the agreement was pushed through, when would people get to discuss this? It was like the Charter bundle package, all rolled together. And if one part of the bundle came loose, it would be hard to keep the agreement going.

* They wouldn't want to move forward with the ramp and a good project, if it all could unravel because of a controversial venue there.

* The cease and desist letter was still hanging out there. He didn't know if he would be sued or not. He was a lawyer and he knew he had a right to speak. But they should be concerned that there might be people out in the community who weren't coming forward because of this threat.

* When asked if the location previously proposed for the venue on the other side of E. Washington might have had something to do with the proposal being turned down, Gussert said reasons included noise in the neighborhood, parking, traffic, and how people crossed E. Washington.

Asst. Parking Utility Manager Sabrina Tolley, Planning, Community and Econ. Development Director Natalie Erdman and Economic Development Director Matt Mikolajewski, answered questions.

• When asked if the Utility could lose money on this operation in any way over

the term of the agreement, Tolley said this would depend on a couple things:

- * The current model showed the Utility paying the full PILOT (of \$240K-\$300K) in year one, which doubled the operating cost of the facility. In terms of just operating cost, the revenue from the leases would cover operating costs.
- * If the facility didn't generate enough revenue to cover PILOT in the early years using a cost approach, the Assessor would then use an income approach in the calculation. Practice was for the Utility to pay the higher cost of the two approaches for PILOT.
- * So the short answer was that there would be no loss of money for operations in any single year. At a minimum, the Utility would break even.
- The music venue still needed conditional use approval. Activity like a venue was envisioned in the Capitol Gateway Corridor Plan. The Comprehensive Plan contemplated a mix of uses on this site, which was zoned appropriately; but the size and scale would require a conditional use permit. All the applications had been filed, but had not yet moved through staff review, and would need Urban Design and Plan Commission approval.
- MG&E could sell their property to a private developer to build a parking lot, but had indicated that they were willing to partner with the City because it was the City who would own the property. MG&E was using the property now, but saw the benefit of helping development in the Cap East District.

Mikolajewski discussed the resolution and agreement.

- The Econ. Development Committee had approved the resolution earlier in the evening.
- The resolution did two things:
 - * It amended an existing contract with Graef Engineering, who would design parking structure. The original contract called for a 450-stall structure, which was now proposed to be 600 stalls, which would increase the contract's scope and monetary value.
 - * The second item was the development agreement between the City and Gebhardt and American Family, which outlined the terms of the various transactions that would occur among them, as well as between the City and MG&E.
 - * The agreement contained an initial narrative and followed by several exhibits, which were as/more important; and outlined the parking lease agreement, terms of the sale to Gebhardt, and more.
 - * Though outlined in the narrative, a missing exhibit was the purchase agreement with MG&E, because a letter of intent with MG&E was still being negotiated and nearly finished and would need to be routed through the Council.
 - * Other items still needed were the grant agreement between the City and Starting Block Madison, and all the required land use entitlements for the project.
- So the Commission would be approving the framework of the project; a few additional items needed to be completed/approved after the meeting.
- Located on the 800 South block of E. Washington, the project involved two private components, Spark and Cosmos; and a third public component, the parking garage located on the MG&E property on E. Main. (See Staff Memo attached.)
- Spark would be owned by American Family Insurance, ~156K sq. ft. inc. Starting Block, an entrepreneurial center using 50K sq. ft., with the balance to be used as office space by Am Fam (or its leasees). Starting Block would receive a \$1.5M grant from the City using proceeds from the sale of its property

to Gebhardt.

- Cosmos would be a Gebhardt development, ~60 sq. ft office component, plus a music venue owned by Frank Productions, and additional retail space on the ground floor.
- The parking garage would have 600 stalls, 550 of which would be leased to Am Fam and Gebhardt from 6 AM-6 PM; the Utility would be able to oversell the spaces. On evenings/weekends, the garage would be open to the general public, operated by the Utility.
- The garage would cost \$16M: \$1M for land, \$1.5M to construct retail component on 1st/2nd floor of garage, \$500K for remediation, <\$800K for Graef, and 600 stalls estimated at \$21K/stall.
- The \$16M would be funded through four different sources: \$1M from the City's land acquisition fund (for MG&E land @ ~\$16/sq.ft.), \$3M from Parking reserves, \$7M tax incremental financing (TIF-supported borrowing, supported by existing projects in Cap East District), \$5M General Fund supported debt (which could eventually be reimbursed through the TIF district). If the project cost less than \$16M, they would reduce the General Fund debt first.
- Contingencies would be contained in letter of intent with MG&E related to environmental contamination. MG&E had done environmental investigation and had not identified any issues. All the properties in the area had some contaminants; the parking structure would be a cap on those at their location. If the cost of remediation was more than \$500K, the City would have the option to walk away from the project.
- Having been purchased at \$14/sq. ft., the City would be selling its land to Gebhardt @ \$18/sq. ft., = ~\$1.5M, which would be put into escrow for the grant to Starting Block once that agreement was finalized.
- The parking structure would also need Urban Design and Plan Commission approval.

Staff answered questions.

- If remediation exceeded \$500K and the City had to walk away, the rest of the project would not be pursued.
- The theater would use 30-35K sq. ft.
- Of the \$7M TIF financing, \$4.6 M was from Cosmos and Spark, and guaranteed by Gebhardt and American Family (the most secure TIF). The balance was from other projects in the District, which either didn't use TIF or wouldn't use all the increment they would be generating.
- The design of the ramp would be brought to the TPC for input.
- The design and engineering costs being approved represented about 5-6% of overall costs, making the cost of the stalls relatively cheap and the design.
- Gebhardt had asked that the City to consider working with him on the possibility of discussing a pedestrian overpass (over E. Wash.) or enhancing ped crosswalks. This area was a part of the Urban Design District; and item was included in the agreement at the request of the developer.
- Revenue projections for non-leased/public use time periods would average ~5%, based on the current environment and minimal use.
- Re: how the garage would break even (with lease revenue projected @ < \$370K, annual operating estimates @ \$313K, which with PILOT @ \$240K, would result in -\$184K):
 - * The projections were underestimated, and assumed no revenue from other types of fees (monthly, overnight); to show the facility could support itself based only on leased revenue.
 - * Without actual pay-demand numbers and a rate structure, any other

estimates would be best guesses. These were safe revenue estimates; revenues were expected to be higher.

* If somehow only the leases generated revenue, with \$0 revenues from other types of fees, then the income assessment approach for PILOT would be used. If net revenue was low, a % amount would be assessed based on those revenues; the amount wouldn't be greater than net revenue. By contrast, if the cost approach were used and full PILOT were assessed, it would be \$240K, based on the value of the structure (\$12M).

- Reserves were @ \$39M at year end. Judge Doyle would be \$13.1M.

Bergamini said that given that revenue projections were done based on possible two events/week, with 1,500 people at each event and a full garage, she would like to see some guesses for revenue exclusive of the theater, to see the full range of reasonable possibilities; because it was reasonable to think that the theater may not be approved or that it would have as many events as estimated. It was also reasonable to assume people at nearby venues, such as High Noon for example, would park at the garage.

When asked about other long-term lease agreements, Tolley talked about how this was unlike any other agreements.

- Other facilities had not been funded by General Fund dollars (which was now allowed).
- Because the Utility was funded only through its own revenues and reserves and did not receive General Fund dollars for operating operations or capital, they felt it was important to break down what % of the initial capital investment could be attributed to just the public parking component; which was where the \$3M contribution came in.
- The Utility had never built shared parking. Instead of giving TIF to a private developer to build their own garage, and then 15 years later, building a City structure resulting in overbuilt parking and underutilized spaces, this was a more efficient, unique model.
- Other lease agreements were based on excess capacity, so how many spaces were allocated and the duration, was based on occupancies at that particular facility. The one most similar long-term lease agreement was with the AC Hotel for overnight spaces, with a 20-yr term (@110% of TPC rate). More typical agreements at locations with fluctuating demand had a 5-yr initial term, with a 5-yr renewal.
- Rates were set, based on demand. For example, nightly permit rates (valid from 6 PM to 7 AM), ranged from \$55 to \$105. The rates at this location would not out of line with these, based on demand. This was an area which didn't really have any demand currently. Any demand generated in the first 15 years would likely be generated by the development, with some demand for public uses in the neighborhood and special events.

With roughly \$10M capital expense (from land acquisition fund, borrowing and reserves), Ahrens noted that no cost was shown for such items as interest lost on Parking reserves, or for cost of GO debt annual interest charges.

- Tolley said Parking's cash reserves would have no borrowing/interest.
- Erdman said the City's borrowing rate was in the 2.25% range. This would need to be amortized over the 50-75-yr life of the ramp. Parking's model demonstrated that the leases would cover operating costs. It didn't include the 50 spaces 24/7, or the oversell of perhaps another 50 spaces, and event parking from Breese Stevens and Central Park.

- The City was building an infrastructure for this area, and they were being cautious about those numbers. They could come up with some numbers, but 10 years from now, how much of this parking would be filled? If meters were put on Main Street, what would those do? Still they could look at some ranges on that.

Referring to the data provided by Paras, Ahrens said 100 events/yr for the venue, drawing 1,500 people, seemed far-fetched. Compared to night time permits, the lease rate was at the very low end. Without a hugely successful venue, they would be in the red zone in terms of the other pieces of this. Ahrens asked Mikolajewski if, as Economic Development Director, he had captured potential losses to the other music venues as a result of the new theater, given that Frank Productions now booked events at these other venues. Would spectacular success at the new venue mean catastrophic failure at the other venues?

Mikolajewski said that one of the goals of Frank Productions was to attract shows that currently did not come to Madison for one reason or another. One reason that had been suggested was that this was a very different style of venue from the others; it was a flat box, and in many cases, with no seats and people standing. Most of the other venues discussed were former movie theaters with stadium-style seating. The new venue would attract a different type of show because of its new style.

Ahrens said this didn't answer the question; or account for the possibility of how the market would more than double in terms of its revenue. Existing theaters were empty more than 85% of the time. If the market could double, one would think they'd be dark only 30% of the time. If a finite number of people spent money on entertainment, the money had to come from some other pocket, which could very well be the existing venues. How would this loss be accounted for, and also what about the reverberation effect on State Street and Atwood Avenue, and stores/restaurants there.

Erdman said they hadn't accounted for the Doom's Day of a stagnant economy, with no growth in the concert business and that it could only be what it was today. This would probably be a good question for the Franks. However, Madison did have a growing community and growing creative class attracted here because of the entertainment and venues. A new venue often offered new opportunities not already available. Ahrens said he wasn't anticipating no growth, but that this proposal talked about more than doubling the capacity in one felled swoop.

Poulson confirmed with staff that not only was parking tight in the area now, but that a study had projected a parking deficit if a garage weren't built in this area. When asked, Tolley said that American Family was already working on a TDM. Though it would likely be paid back through PILOT, Bigelow noted that this was the first time he had seen GO used for a development.

Bergamini wondered about the change in plans. Originally they had talked about 450 parking spaces and office space, and now talked about 600 spaces and a music venue. Tolley said that considering the cost of a build-out from 450 to 600 stalls would cost over twice as much if they waited, it didn't make sense not to build the extra 150 spaces knowing that they could probably fill the

demand within a couple of years. They expected further development in the area, and more events at Breese Stevens and Central Park, as well as parking pressures in the neighborhood, and the possibility of 24/7 spaces. The Park+ model showed a demand for a 600-stall garage in less than 5 years; and future demand due to build-out. The projections related to the venue were provided to show another future potential to pay the full PILOT. Whether the new theater had 100 events or not, other evening events and other local venues in the area could generate this revenue.

Streit expressed concern about the low rates at the new garage over a long term vs. much higher rates at existing garages that changed/increased on a regular basis. He was worried that the new ramp could drain money from the other ramps; and wished the City would have a firewall to protect its ability to maintain and operate the other ramps.

Tolley said they had looked at the model, inc. likely rates, revenues and operating costs, which led to discussion about the \$250K in PILOT for a garage that would be subsidizing a private development. They found that with a guarantee of \$4.6M of increment from Gebhardt and AmFam, and the Utility contributing \$3M, they would not operate at a loss. Using data for average annual increases in inflation for the past 15 years, and assuming these rates would be higher (esp. for services), the garage would at least break even, with some additional revenue annually over 20 years. In the model, the rates were scheduled to increase by 27% every five years for 15 years, and in year 16 (when the schedule would reach \$101/month), the rate would be set by TPC. Staff felt the garage should not be subsidized by other garages or on-street, that the garage needed to pay for itself; which was when the idea of an income approach to PILOT came into play, in case nighttime revenues couldn't cover the \$250K PILOT.

Kemble/Bergamini made a motion to refer the resolution to their next meeting. Kemble discussed her concerns.

- She had voted against the proposal at EDC because lease rates were too low, and didn't account for capital costs, as well as existing demand.
- She supported building the garage, and liked how it benefited AmFam; and how, rather than having them build their own parking, the City would build, own and run the parking.
- She liked the basic structure of the deal, but she thought more study was needed re: lease rates and the entertainment venue; and wasn't ready to vote on that now.
- At EDC, when asked, the developer and lobbyist said they had no Plan B should the conditional use permits not be granted. A lot more thought was needed before land use approvals, in terms of our legal agreements with the developers and their relationship with each other. That was not under the purview of the TPC.
- But the engineering piece of the resolution was fine. She understood the need to increase money and go forward with that.

Bigelow agreed that the development plan was not their bailiwick, and should be decided by the Council. So he supported separating out the parking structure portion of the resolution.

Bergamini/Tolmie moved to amend the motion, to approve the second part of

the resolution to amend the contract with Graef (Res-16-00674) and authorize expenditures of up to \$776, 560 for architecture/engineering for the garage, and separate that from the authorization of the development agreement.

Zellers asked staff what this delay would do, and what would be the prospects for a different outcome from the negotiations. Mikolajewski said Gebhardt and American Family/Starting Block had indicated time was of the essence, and they wanted to start construction as soon as possible. Bergamini noted that TPC was the lead on financial matters for Parking, but not the lead for development agreements for projects like this. She wasn't sure how their separating out the two parts of the resolution would slow things down. Mikolajewski said that some elements of the agreement, certain inter-related transactions, would occur before the architecture/engineering was completed; and without approval of the agreement, some of these other items wouldn't be able to proceed.

Golden thought that the Parking Utility didn't really need to approve the entire development agreement; it needed to accept this ramp as one of its own, and approve the \$ increase for engineering services. To moot the lease concerns, they could also say that over 20 year period, the Parking Utility would be made whole by somebody (whether the City or whomever). And the other committees could deal with the rest of the concerns about the development agreement. Staff wasn't sure if the body could pick/choose which parts of the resolution to consider. They would have to ask the City Attorney.

Kemble discussed her intent in her motion to refer. She wasn't suggesting that the TPC shouldn't have a say on the agreement. The rates and potential PILOT and were enmeshed with the land uses, and she wasn't ready to vote on it. She wanted staff to do more work and come up with better numbers, esp. since the music venue was such a critical part of some of the numbers. But she wanted the engineering portion should move ahead to BOE.

Poulson said that the proposal would go to BOE, no matter what TPC ruled. TPC didn't have the final say. And the Council wouldn't wait for them to act. Bergamini said she believed public parking facility was needed, but was uncomfortable with the details and the timelines. And she was perfectly comfortable approving the engineering portion and punting the rest of it to BOE.

Zellers wanted them to act on the whole resolution. Uncertainties were typically associated with large projects like this. The Cap East area was developing very rapidly, with prospects for other developments there. The Park+ model showed a need for parking in the area beyond what this would give them. While parking could sometimes be found at night and on weekends, it was becoming increasingly difficult. When events were held in Central Park or Breese, it very hard to find parking. She supported the resolution, and wanted to see everyone else to do likewise. Negotiations had been long and arduous. She did not want to lose out on this. She would vote against the separation.

Golden said that he would propose a recommendation to hold the Utility harmless (as shown below). This would make the process less threatening. He had heard the concerns about low lease rates and inflation. BOE and Council

should consider those, and make them more flexible over the 20-year period. This would allow them to invoke this clause.

If there was no objection, Bergamini said she wanted to withdraw her amendment. If there was no objection, Kemble said she would withdraw her (main) motion to refer.

Golden/Zellers moved to approve the resolution. Golden/Streit moved to amend the resolution, to add the language to hold the Utility harmless. When the vote was taken, Golden said that he didn't care how this would be done; they could go into deficit and get paid back. It didn't need to be worked out now.

Golden said a key element that was important and positive was to make this a public parking facility. Though they might be constrained as to how they use it over the 20 years, after that they would have a public facility in an area where a lot of employment would be developed.

Ahrens knew people didn't want to consider the issue of the entertainment venue (barely mentioned in the resolution), but it was as central to this as any part. It was a two-fer. Fiscally it was the other side of the coin, and its potential effect was enormous. They shouldn't go into this thinking they weren't playing with fire here. It would be more than doubling the expenditures in a market without any evidence that the market could support that. If the other venues were to go, they weren't recoverable. They were important to the history and life of the city. The TPC couldn't work in a silo. Some would say it gave a discount to one promoter for parking, enabling that to go. By doing this, they would be taking an affirmative step to vastly change the market that people were working in. They needed a lot more facts and a lot more consideration than the seat-of-the-pants stuff they were going by now.

When asked how they saw the "held harmless" language working, Erdman said that would be a question for BOE or Council. The agreement to work the PILOT in a different manner was City Finance's way of reducing the Utility's risk.

Zellers said she valued other venues in the city, which offered a character and ambience that was very important. She had a problem with essentially saying that they wanted to prevent or control the competition that might come, which they couldn't predict. Ahrens said that it would be different if this were an independent parking structure; but they would be building it for a new business and giving it favorable terms. They would be taking a step to create conditions that could possibly be destructive of existing businesses.

Tolley said no hourly rates had been established here. And when special event rates came before the TPC, she would recommend that this garage be priced in line with the other garages.

A vote was taken on Golden's amendment, as follows: Ayes - Ahrens, Golden, Kemble, Tolmie, Streit. Noes - Bergamini, Zellers, Bigelow. Non-voting - Poulson. The motion to amend/add language passed 5-3.

A motion was made by Golden, seconded by Zellers, to Return to Lead with the

Following Recommendation(s) to the BOARD OF ESTIMATES: To approve with an amendment to add the following language before the final resolved clause: **BE IT FURTHER RESOLVED**, that The Parking Utility will be held harmless so it will not lose money for the 20-year period of the Development Agreement.

The motion passed by the following vote:

Ayes: 5 - Ledell Zellers; David E. Tolmie; Wayne Bigelow; Kenneth Golden and Kenneth M. Streit

Noes: 3 - Rebecca Kemble; Margaret Bergamini and David Ahrens

Excused: 2 - Ann E. Kovich and Michael M. Johnson

Non Voting: 1 - Gary L. Poulson

F.3. [44766](#) Proposed 2017 Transit and Parking Commission Meeting Schedule - TPC 10.19.16

[Please note: This item followed Item F.1.] Staff noted that all the dates fell on second Wednesday, the TPC's regular meeting day. All but two of the meetings would be held at the Central Library. Bigelow/Zellers made a motion to approve the 2017 meeting schedule. The motion passed by voice vote/other. [Please note: The meeting proceeded to Item H.1.]

G. UNFINISHED BUSINESS ITEMS

G.1. [44801](#) Parking: Resolution No. TPC 16-12, regarding Parking Utility Rate Change at State Street Capitol-Lower Level - TPC 10.19.16

[Please note: This item followed Item F.2. and following Item F.2., the meeting recessed for seven minutes.] Bigelow/Tolmie made a motion to approve the rate change at State Street Capitol-Lower Level. The motion passed by voice vote/other. [Please note: The meeting proceeded to Item H.2.]

H. INFORMATIONAL PRESENTATIONS AND DISCUSSION ITEMS

H.1. [44792](#) Metro: Draft of Jenifer Street/Williamson Street Transit Study - TPC 10.19.16

Referring to the Draft Study (attached), Metro Transit General Manager Chuck Kamp discussed the status of the detour, and answered questions with Metro's Drew Beck and Phil Gadke, and TE's David Dryer.

- District 6 Alder Rummel had indicated that she did not intend to seek to extend (the time of) the detour on Williamson.
- Standard practice was to go back on route, when a construction project ended. To change this strategy, Metro would need direction from the TPC.
- Though still wider than most streets, the width of Jenifer would be two feet narrower; would have parking on both sides and two 10-ft. travel lanes (not less than 36 feet).
- Eventually residential build-out north of Williamson and commercial growth in the Cap East district might lead to additions/changes to routes in the future. Staff was not aware of any new developments beyond those already proposed in the next five years.
- Whether significant changes to/more info would be gained if the study

continued, Metro would keep on monitoring on-time performance (OTP) on these routes as well as all others, since OTP was the most important data point related to equity. OTP was an issue for some routes for people making transfers, but at this point, the data in the two quarters was not different enough to be a compelling reason to be on Williamson.

- When routes returned to Jenifer, buses would stop at every block as decided by the TPC in 2015. OTP would be measured, and if they saw 5-7% late arrivals by Routes 3,4 and 7 at transfer points (TP), Metro would bring it back to the TPC to ask whether to thin out the stops to every two blocks. But that wasn't their intent now. Such a proposal would have to be data driven.
- Routes had fixed times at the TPs, which didn't change with the spacing of the stops, which was why spacing was important. Stops had been thinned out on Johnson/Gorham, Turner and now possibly on Monroe. Spacing was part of the system standards previously approved by the TPC, and would be a focus of their review to see if the question needed to be brought back.
- Drivers expressed a preference for staying on Williamson.
- On an average weekday on that segment of Jenifer, there were 250+ turns (traveling Spaight-Jenifer-Baldwin), vs. <50 turns staying on Williamson. Safety was a concern relative to turns.
- Drivers preferred fewer turns, because of the higher risk ped, bike, car accidents. They had a lot more to look at and set their bus up to do. So given the option, they would prefer a straight shot.
- Drivers felt like they were making better time through the corridor; but in fact, because of slower times downtown, this wasn't necessarily the case.
- (Referring to Page 6) Routes 3, 4 and 7 and all routes had issues keeping the schedule. Staff constantly reviewed this, watching for days when certain routes might show degradation of service.
- If staff found serious issues with safety or OTP, they would propose changes (Ex. Changing Rt. 7 back to Rt. 3 due to OTP issues).
- For the Draft report to become Final, buses would need to stay on Williamson for several more months to collect more data on OTP, ridership and business revenues.

During the presentation, Zellers noted that a significant number of survey respondents preferred Option 2, i.e., buses return to Jenifer with stops every other block. One of the big concerns of people on Jenifer seemed to be a stop in front of their house. Though reviewed in Feb. 2015, she wondered if this was something they might need to revisit. Kamp said this was possible if OTP became an issue; but it wasn't their intent now.

Registrants were called to the table. (See registration slips attached.)

- 1) Brooke Seeliger, Manager of Interior Statements, 1226 Williamson, opposed keeping buses on Williamson, supported returning them to Jenifer. Their business had been impacted with a dramatic drop in daily sales. For people traveling through/exploring the neighborhood, parking was a significant issue.
- 2) Kyle Stollendorf, Owner of Pieces Unimagined, 1228 Williamson, supported returning buses to Jenifer. Since May, his business had been severely impacted. People reported driving by, because they couldn't see a way to get there. He had taken a huge hit; numbers were way down. Other merchants on 1200 block had also been affected. A business impact study was needed. Three stores said they weren't going to be able to make it. Retail was vital to Willy Street. While absorbing all kinds of traffic on the street, buses were too much. Jenifer was designed for them.

3) Peter Wolff, 945 Jenifer, representing Marquette Neighborhood Assn. (MNA) Traffic Committee, neither supported/opposed; supported continued data-gathering. Their committee hoped they could discuss things with Metro and work with them. This had become an issue of Willy vs. Jenifer. They'd like to sit down and discuss other alternatives, perhaps running Rts. 10 and 38 on Willy, and Rts. 3 and 4 on Jenifer, which would make a lot of sense, which could be folded into the analysis.

4) Laurie Wermter, frequent bus rider, 847 Williamson, supported returning buses to Jenifer, with buses stopping at every block. People from all over the city used the stops to visit the businesses/venues/orgs on Williamson day and night. Every other block would impact Wil-Mar Center (inc. outreach programs there). MNA supported stops on every block. The neighborhood was already a Transit-Oriented District. Asked members to look at the heartfelt testimony at the Feb. 2015 TPC, which included suggestions for ways to improve OTP at TPs.

5) Judith Strand, long-time resident, 745 Jenifer, supported extending the Study and keeping buses on Williamson. Reconstruction had created lots of congestion affecting live and livelihoods. It was harder to cross streets; she wasn't surprised by lower ridership. Congestion on the Isthmus was not unique; reconstruction only amplified what happened with traffic. The city had choices to make with transportation (inc. Sustainable Madison Transp. Plan, City and County biking initiatives). One street vs. another missed the point. The whole system long-range should be considered, in terms of sustainability. Opening up Jenifer and the side streets would make huge difference to flow in the neighborhood. The bike path traveled onto Jenifer at the point where buses turned. She wanted the study extended once the streets were opened. Alternatives were needed: public transit, traffic calming for cut-throughs, no bus stops in front of residences.

6) Ted O'Donnell, Founder of MadCat Pet Supplies, 1012 Williamson, supported returning buses to Jenifer until such time as a full study took a complete look at impacts on businesses. Of his three stores, the Willy Street store was being hammered, while other two continued to grow. With 250K people in the city, things got tight when we all got moving. Shared burden was part of this, and Willy carried a lot of burden, even more with buses. He was glad to hear buses were returning to Jenifer before the snows. In terms of traffic flow, Jenifer Street played a role; it couldn't be a gated community; it was part of the Isthmus and part of the shared sacrifice.

Alder Rummel expressed appreciation for the Study and discussed it.

- When she initiated the conversation, she thought about the changes on Williamson and that the reconstruction could provide an opportunity to put eyes on the situation, rather than simply creating frustration about getting around the area.
- They had learned from the survey, emails and petitions; and overwhelmingly heard that people preferred to keep the buses on Jenifer. If that was the case, then the reason to continue studying became more doubtful.
- A reason to continue would be to go back to the normal condition where Jenifer Street was open, with normal patterns there. She wasn't going to recommend that, but could see how that would be a logical next step.
- A bigger study would be crucial as they did transportation planning, looking at BRT and such options as moving Rt. 38. Nothing compelled them to keep things as they were when trolleys ran on Jenifer.
- Feelings were strong on all sides; good reasons were given for considering

that, inc. opportunities to make some changes related to the cul-de-sac and a light at Blount Street, which could still happen with routes returning to Jenifer.

Ahrens noted that construction was expected to end by 10/31. Members also suggested that Alder Rummel along with the other alders might look at Metro's operating budget request related to Route 7 being returned to Route 3, which would address OTP and return service to Olbrich Gardens on weekends. Poulson reiterated that (without direction from other entities), buses would be returning to Jenifer per the regular practice of going back to the original route following a detour. [Please note: The meeting proceeded to Item H.3.]

H.2. [44767](#)

Parking: Judge Doyle Project Update - TPC 10.19.16

[Please note: This item followed Item G.1.] Tolley highlighted items in the Staff Quarterly Report (attached).

- The Council had approved the design contract in September. Since then, two design workshops had been held.
- Two teams had been formed on the City side: a Project Coordination Team, and a larger City staff team that met monthly to support the Coordination Team and coordinate across departments.
- The bike center was discussed at the September meeting, and made recommendations, inc. to get public input, and to prepare an RFP to solicit an operator for the center, which would not be owned or operated by Utility. On page 2, Parking's match with TIGER of \$1,135,900 was part of Parking's \$13.1M, not additional money.
- A second design meeting in October discussed a second entrance/exit on Doty. People supported the concept of a reversible in/out on Doty, with the private apartments having their own entrance/exit on Doty (which would avoid co-mingling equipment and access controls to separate public from private). It was a clean design. Drawings would be brought to TPC in the future.
- Next workshop would be November 9th.

H.3. [44768](#)

Parking: Update on 2017 Operating Budget - TPC 10.19.16

Tolley referred to the presentation made to BOE (attached). The budget showed no major changes to operations.

- A jump in revenue was the result of budgeted reduction in revenues and increase in savings due to closure of Gov East in March 2016. Since this hadn't happened, the money was being added back. Gov East would not come down until November 2018, after Judge Doyle garage on Block 88 was completed.
- There were no changes to FTE's.
- Goals included:
 - * Improving utilization of State St Cap. People were starting to find it, and with new rate and better visibility, they expected occupancy to increase.
 - * Finalizing HUB contract for PARCS equipment, with installation of equipment in June. They were looking at using a bar code system, to make distribution of coupons easier; and possibly to help with egress during special events. A mobile app would help staff and improve customer service.

H.4. [44772](#)

Metro: Update on 2017 Operating Budget - TPC 10.19.16

[Please note: This item followed Item H.1.] Metro Finance Manager Wayne Block reviewed the info in the PowerPoint presented to BOE (attached).

- Budget Summary: This reflected the amount in the Mayor's Executive budget;

- the amount of City funding that would go to Metro to subsidize its operating expenses. The number of employees (475.60 FTE) would not be changing.
- Change Table-2016 to 2017: This showed differences between Metro's 2016 Adopted Budget and its 2017 Executive Budget.
 - Major impacts included:
 - * Increase in passenger revenue (from Aug. 2016 fare increase) added +\$530K to 2017 revenue.
 - * Increase in ad revenue +\$315K needed to be viewed in conjunction with the increase in ad costs \$250K, for a net revenue increase of \$65K.
 - * Adjustment for driver turnover rate: They previously budgeted for full staff the entire year and then applied a 2% reduction to the number to allow for vacancies and lower starting salaries/leave time for new drivers replacing senior drivers. But drivers were turning over so often, they were never near fully staffed. The 2% rate had not been valid in recent years, running much higher. The turnover numbers included all employees, not just drivers.
 - * After some discussion about the validity of the amount, staff felt that \$1M was a goal they could shoot for. In 2014, they came in just under \$1M; in 2015, they came in at \$1M; they would come close to that amount in 2016; and it may go into the future. If turnover slowed and they found themselves overbudget due to this higher adjustment, they would use reserves to cover the difference. It would be monitored closely.
 - * Fuel costs were going down, because the City had locked into advantageous contracts.
 - Budget Highlights: 2422 referred to the Pennsylvania Avenue location, with a 5-year contract; Middleton location had a 3-year lease with a 2-year option. Diesel rate in 2017 was \$2.36/gal. vs. \$2.55/gal. now.

- Kamp discussed Agency Goals to increase customer experience and to increase ridership and service, and responded to questions.
- To meet equity goals, they would continue to at bus stops, schedules and route configurations to get people to work/school on time.
 - The upgrade to their ETA/location app for smart phones and used by supervisors would make this info more timely.
 - More info was forthcoming about Smart Cards.
 - Staff would be working on early stages of BRT and satellite facility project.
 - Key RESJI goal to reduce travel time was paramount; African-Americans transfer twice as much as whites, and travel times for people of color were 25% longer.
 - Weekend service improvements were needed in such key corridors as E. Washington (in TODs), where service was once an hour, which may/may not have budget impacts.
 - Re: customer outreach in 2017 to assess progress towards RESJI goals, staff would continue to collect OTP data on segments of routes and transfer points; and based on this, to survey riders through paper surveys on buses and Survey Monkey, to get feedback on emerging issues that need to be addressed.

Related to the disparity stats cited by Kamp, Streit requested a copy of the 2015 Onboard Survey. Golden expressed disappointment at the lack of progress on 2013 TDP proposals for fixed route improvements, largely due to lack of state/federal help; and thought they might want to be more realistic in their next TDP.

Kamp discussed route improvements that had or had not made it into the

budget. Not included was the change of Rt.7 back to Rt. 3 on weekends, and more service on Rt. 6 (which together would have cost \$150K starting Aug. 2017, \$450K annually). Added was Rt. 17 service between NTP and ETP on weekends, and additional Rt. 31 evening service to Owl Creek. Metro was focusing on off-peak services because they had no buses. When TDP began, they felt they had a reasonable chance for RTA funding, which would have provided a better local funding source. How to balance needs with reality would be part of the discussion for the next TDP. Members had no questions regarding the contingency reserve (info attached).

- H.5. [44773](#) Metro: Update on Leave Attended Policy, presented by Paratransit Program Manager Nancy Senn - TPC 10.19.16

Kamp said that this update would be given at a future meeting.

- H.6. [44784](#) Metro: Update on Ad Hoc Metro Paratransit Medicaid Waiver Funding & Policy Review Committee, presented by Transit Service Manager Crystal Martin - TPC 10.19.16

Metro Transit Service Manager Crystal Martin reported that Jessie Kaysen and Ken Golden had been elected Co-Chairs at the first meeting of the Ad Hoc Committee on Sept. 19th. The next meeting would be November 1st. They were in the process of pulling together a list of basic documents for Paratransit service as Metro operated it, how the current program worked, and a one-sheet summary of Performance Indicators for the Medicaid Waiver program.

They were also arranging informational speakers. Dane County would come to discuss how things run currently, how people particularly in supported employment used mass transit and paratransit compared to other counties and what made Dane County unique. A person from DHS would also come to offer insight from the State as to how Family Care would be implemented in Dane County, which had an anticipated start date of 1/1/18. The Committee intended to meet twice a month, in order to make recommendations before the budget process began in 2017. There would be an opportunity for public input.

- H.7. [44789](#) Metro: Proposed location of intercity bus stop - TPC 10.19.16

Registrant Allen Fugate, representing Van Galder Bus, made a statement (attached) that Van Galder was supportive of the TPC's efforts to improve bus safety relative to intercity bus stops, and offered his engagement in the process of evaluating alternative locations with stakeholders in mind.

Kamp thanked Badger Bus and Van Galder for meeting with Metro; and was joined by Beck and Gadke to discuss the item.

- The current University Avenue (intercity bus stop) location was a problem for Metro, because it was in their dedicated bus lanes. Even though they had only had a few mishaps, they paid attention to them, and had asked TE to look for a different location.
- After looking at various options, TE concluded that Langdon Street was the best of all the alternatives (map attached).
- Metro supported TE's recommendation because it was off of University Avenue; and for safety reasons. Gadke and Dryer had co-authored a report after a safety review (to be sent to members).

- The City Traffic Engineer had the ability to declare locations not safe enough compared to other alternatives. TE had concluded that Langdon was the best of the alternatives.
- The recommendation would be presented to the Mayor, as the direction they were headed, to be implemented over the holiday break in Dec-Jan.

Members asked questions and discussed the issue.

- The question of whether the bus companies would fund bus shelters had not come up.
- The sidewalk was heavily used by pedestrians, and would be a competitive environment for peds and waiting passengers. What could be done to facilitate this?
- With territorial divisions in this area (some of the sidewalk being the responsibility of Memorial Union, and Library Mall being an historical site), it wasn't certain shelters could be installed there.
- The sidewalk in front of the Union had been redesigned to be extra wide, to accommodate all the types of foot, bicycle, moped, and wheelchair traffic.
- Previously, a dedicated paratransit loading zone was right in front of the main doors to the Union; which the map now marked as a "loading zone". The Union employed many people with disabilities, who were transported there on a daily basis by 20-foot (cut-away) vans, it would be important to provide a safe spot for them to unload.
- With so many spaces identified as no parking/stopping, where would cars and taxis be able to pull over for passengers un/loading (which was sure to happen)? Would people double-park? It would be hard to plan for and identify locations for inappropriate uses.
- It was possible that waiting passengers would migrate to the Union rather than waiting on the sidewalk.
- In one member's experience with buses here previously, waiting either in the Union or on the (wide) sidewalk had not been a problem.
- Whether loading zones could be assigned to paratransit and/or passenger drop-offs/pick-ups would be a question for TE.
- Before the rebuild of east end of the Union, a few 10-minute parking spots had been available, and though not ideal, it made drop-offs do-able. Now they would be gone.
- Wherever the buses stopped, staff in affected buildings would not be happy. Nor would the capacity for 24-hr. shelter be available that would be desirable to have for intercity bus passengers.
- The Union closed at midnight. With buses arriving at 2:30 AM, the only space previously available to waiting passengers was the space between the outer and inner doors of the Union, where on frigid nights, people very uncomfortably jammed in. Worse was the Chazen, which wasn't open most evenings.
- The safety being discussed here was driving safety for Metro buses, queueing up and moving out, with as little danger as possible to peds, bicyclists, Metro riders and drivers.
- Neither location was ideal, and neither dealt with the issue of waiting, picking up or dropping off. [Please note: Kemble arrived at this point in the meeting, at 6:33 PM.]
- A set of criteria was needed to determine a good spot. Though Langdon might be a good location for reasons of traffic flow, these other issues should be considered, in a collaborative effort of the bus companies and staff.
- Data was needed related to waiting passengers, and peak demand for cars

stopping/standing, etc. -- an operational description of what went on. Unless there was a plan for drop-offs/pick-ups (authorized/not), they could interfere with disabled zones.

- The situation at the Chazen had been a circus esp. during peak hours. To avoid the mess at the Chazen, a joint plan was needed to cover normal situations, with public comment.

Kamp said staff would share the safety report mentioned earlier. Long-term plans were to look at a facility, perhaps at a parking ramp (such as Lake and State). What made the Chazen so dangerous for Metro buses was the speed of traffic, and crossing the bike lane to get past intercity buses with bicyclists moving at a clip. Staff would collect as much data as they could and would bring it back in November. Golden said he wasn't looking for perfection, and just wanted something to show this was the best that could be done for now. Re: the Chazen, Bergamini noted that the new Music School would be built at University and Lake, which would involve some very complex construction staging that would be another reason to get the buses away from that area. [Please note: The meeting returned to Item E.1., and the remainder of the Parking items.]

- H.8. [44790](#) Update on Ad Hoc Transportation Ordinance Review Committee, presented by Alders Kemble and Zellers - TPC 11.09.16

This would be done at the next meeting.

- H.9. [44791](#) 2016 Jeffrey Clay Erlanger Civility in Public Discourse Award nomination information - TPC 10.19.16

Poulson noted that information about this had been provided.

**I. REPORTS OF OTHER COMMITTEES - for information only; no action required.
(Most recent meeting minutes electronically attached, if available)**

[07828](#)

ADA Transit Subcommittee
Contracted Service Oversight Subcommittee
Parking Council for People with Disabilities
Long Range Transportation Planning Committee
Joint Southeast Campus Area Committee
Madison Area Transportation Planning Board (MPO)
TPC Subcommittee (to review issues outlined in Leg. File 37359)
Ad Hoc Transportation Ordinance Review Committee
Ad Hoc Metro Paratransit Medicaid Waiver Funding & Policy Review Committee

**J. ANNOUNCEMENTS AND FUTURE AGENDA ITEMS
(For information only; not for discussion)**

J.1. General announcements by Chair

None.

J.2. Commission member suggestions for items on future agendas

Golden suggested that Steve Steinhoff of RPC and Alder Larry Palm be invited to discuss the Greater Madison Vision. He also asked that they discuss how to communicate what their subcommittees were doing.

ADJOURNMENT

A motion was made by Bigelow, seconded by Golden, to Adjourn at 9:05 PM.
The motion passed by voice vote/other.