



Department of Planning & Community & Economic Development

Economic Development Division

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Office of Business Resources

Office of Real Estate Services

TO: Madison Public Market Foundation Staff and Board Members
FROM: City of Madison MPM Staff Team

SUBJECT: Overview Letter -- Requirements for Madison Public Market Project Advancement
DATE: October 27, 2020

The following memo provides an overview with associated timelines of the necessary requirements for advancement of the Madison Public Market project by members and staff of the Madison Public Market Foundation as well as by the City of Madison Public Market Staff Team.

PROJECT REQUIREMENTS SUMMARY

- 1. Determination of ownership model for MPM site**
 - a. Responsible Party: City of Madison in collaboration with MPMF*
 - b. Due Date: Late November 2020*
- 2. Execution of Grant Agreement with the Economic Development Administration**
 - a. Responsible Party: City of Madison in collaboration with MPMF*
 - b. Due Date: Q4 2020*
- 3. Development of a preliminary plan for incorporation of corporate signage at the MPM that is feasible within the parameters of the [City of Madison's Sign Control Ordinance](#)**
 - a. Responsible Party: MPMF*
 - b. Due Date: Late November 2020*
- 4. Creation of an updated operating pro forma that includes assessment of property taxes and changes to the South Hall Event Space**
 - a. Responsible Party: MPMF*
 - b. Due Date: Prior to TIF Joint Review Board (Q1 2021)*
- 5. Provision of evidence illustrating that all capital campaign funds (≥\$3M) have been secured**
 - a. Responsible Party: MPMF*
 - b. Due Date: Prior to TIF Review Board (Q1 2021)*
- 6. Securing approval from TIF Review Board to allocate \$7M in TIF funding from TID 36 to MPM capital costs**
 - a. Responsible Party: City of Madison*
 - b. Due Date: Late Q1/early Q2 2021*

1. Determination of ownership model for MPM site

- a. Responsible Party: City of Madison in collaboration with MPMF*
- b. Due Date: Late November 2020*

The City of Madison MPM Staff Team is developing a short white paper that outlines the various options and ramifications for ownership models of the MPM site at 200 N First Street. Using this document, the City and the MPMF will need to come to a decision on who owns the site and/or facilities located at the site. This information will be crucial not only for future operational liability roles and concerns for the City and MPMF but also for potential EDA grant funding and the form that corporate signage will take and associated impacts to private fundraising.

2. Execution of a Grant Agreement with the Economic Development Administration

- a. Responsible Party: City of Madison in collaboration with MPMF*
- b. Due Date: Q4 2020*

The MPMF and City submitted an application for EDA funding in early October. Assuming the EDA awards funds to the project, the City and MPMF will need to finalize and execute a Grant Agreement with the EDA.

3. Development of a preliminary plan for incorporation of corporate signage at the MPM that is feasible within the parameters of the [City of Madison's Sign Control Ordinance](#)

- a. Responsible Party: MPMF*
- b. Due Date: Late November 2020*

One of the unanswered questions for this project remains how adherence to the City's Sign Control Ordinance will be navigated. The main ramification of meeting this ordinance requirement applies to corporate funding, as there appears to be interest in a substantial donation to the project's capital campaign in exchange for prominent corporate signage on the market façade itself. The City MPM staff team can assist MPMF members in determining the correct questions to ask and DPCED staffers to talk with, but ultimately, the development of a feasible plan that adheres to the Sign Control Ordinance is a task that falls to MPMF members.

4. Creation of an updated operating pro forma that includes assessment of property taxes and changes to the South Hall event space.

- a. Responsible Party: MPMF*
- b. Due Date: Prior to TIF Joint Review Board (Q1 2021)*

Several changes to the MPM operating assumptions in recent weeks require an amendment to the operating pro forma. First, it is becoming increasingly apparent that the MPMF will be required to pay property taxes for the space. This needs to be factored into the pro forma. Second, the EDA grant application contemplates moving usage of the South Hall towards food production, in addition to event space. This will likewise impact the operating pro forma.

5. Provision of evidence illustrating that all capital campaign funds (≥\$3M) have been secured

- a. Responsible Party: MPMF*
- b. Due Date: Prior to TIF Joint Review Board (Q1 2021)*

Providing evidence that all capital campaign funding is secured will be crucial for a TIF Joint Review Board proposal and should be prepared prior to a proposal offering to that body. Additionally, the deadline for this particular activity may actually have to be pushed up depending on the requirements of the EDA PWEAA grant. ACDS, LLC will assist the MPMF and City of Madison MPM staff team in determining the requirements for that grant, which will affect this deliverable.

6. Securing approval from TIF Joint Review Board to allocate \$7M in TIF funding from TID 36 to MPM capital costs

- a. Responsible Party: City of Madison*
- b. Due Date: Late Q1/early Q2 2021*

Securing approval from the TIF Joint Review Board is a critical piece of the MPM project's viability, as TIF funding is providing the majority of the funding for the construction of the market. The City of Madison MPM staff team will be responsible for this deliverable and will work with additional city staff and the MPMF to make sure that we have as thorough a proposal as possible for a TIF Joint Review Board meeting in late Q1/early Q2 2021.