



Department of Planning & Community & Economic Development

## Economic Development Division

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**TO: Board of Estimates and Common Council**

**FROM: Economic Development Division Staff**

**SUBJECT: Capitol East District Contract Extension (Legistar #24910)**

**DATE: January 3, 2012**

The City of Madison executed contracts with Vandewalle & Associates/The Hiebing Group and The Bower Group in 2009 to begin implementation of the East Washington Avenue Capitol Gateway Corridor Plan. The following memo outlines a proposed work plan, deliverables, and scope of services for these firms in 2012.

### Primary Tasks of 2012

Following are the primary tasks for the Capitol East District in 2012. Following each task is an indication of involvement on the part of City staff (Economic Development Division – EDD), Alders, consultants retained by the City. The first organization listed will have primary lead on the task, with the remaining organizations playing a supporting role.

- A. Negotiation of options to purchase and/or sale of Don Miller/Schappe properties (**EDD**).
- B. Project Management to facilitate development of Don Miller/Schappe holdings (as appropriate) (**EDD & The Bower Group**, Alders, Hiebing, Vandewalle & Associates).
- C. Demolition and remediation of Don Miller/Schappe holdings (**EDD**, City Engineering).
- D. Engineering to support reconstruction of Livingston intersection in 2013 (**City Engineering**, EDD, Alders, Vandewalle & Associates)
- E. Address billboard easement on Block 800 of East Washington Avenue (**City Attorney**, Alders, EDD, Planning, The Bower Group)
- F. Support planning/implementation efforts for Madison Sustainability Commerce Center (MSCC) (**MSCC Team**, The Bower Group, EDD).
- G. Amendment of TID 36 boundary and project plan; and, exploration of additional funding mechanisms for public infrastructure and private investment (**EDD**, Alders, The Bower Group, Vandewalle & Associates).

H. Coordination, analysis, underwriting, development, and communication of TIF packages for Capitol East District projects as necessary (**EDD**, Alders, The Bower Group, Hiebing, Vandewalle & Associates).

I. Attract/expand one or two (medium to large) employers within District, while working to retain/expand/attract small business within the District (**The Bower Group**, Vandewalle & Associates, Hiebing, EDD).

J. Continued engagement with The Mullins Group regarding the future repositioning of their holdings, and the development of the Urban Technology Campus (**The Bower Group**, Vandewalle & Associates, EDD).

K. Continued preparation and implementation of a Capitol East District Public Improvement Plan (**Vandewalle & Associates**, Planning, EDD).

L. Continued community outreach and support including neighborhood/stakeholder meetings, email newsletter, and Capitol East District promotional events (**Hiebing**, EDD, The Bower Group).

M. Continued update meetings with Alders, Mayor, and other City staff (**EDD**, The Bower Group, Vandewalle & Associates, Hiebing)

N. Conduct comprehensive assessment of grant funding/financing opportunities for district projects including but not limited to environmental remediation, Central Park, Breese Stevens, and Madison Metro facilities (**Vandewalle**).

**General Allocation of Resources**

Following is a summary of the proposed 2012 Capitol East District consultant budget:

**2012 Capitol East District (\$200,000 available)**

\$55,000	-	The Bower Group (first six months of 2012)
\$30,000	-	Hiebing
\$65,000	-	Vandewalle & Associates
\$25,000	-	Miscellaneous/reserve for additional unanticipated Scope of Service work items with the aforementioned consultants to be approved by the DPCED Director
\$25,000	-	Property holding costs and unanticipated Capitol East District projects to be approved by the DPCED Director
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\$200,000	-	Total

This plan leaves \$50,000 available for property holding costs and unanticipated Scope of Service and Capitol East District projects; or, potential budget savings if not utilized. This represents a reduction relative to the 2011 budget of \$250,000.

### **Deliverables By Firm**

Following are the deliverables and proposed funding levels for the three consulting firms:

#### **The Bower Group (\$55,000)**

Primary lead on Tasks B, I and J above.

Supporting role on Tasks A, E, F, G, H, L, and M above.

#### **Hiebing (\$30,000)**

Primary lead on Task L above.

Supporting role on Task B, H, I, and M above.

#### **Vandewalle & Associates (\$65,000)**

Primary lead on Tasks K and N above.

Supporting role on Tasks B, D, G, H, I, J, M above.

### **Scope of Services By Firm**

Following are more specific scopes of services for how each firm is expected to meet the deliverables noted above.

**Bower Group LLC**  
**Scope of Services – 2012**  
**Implementation and Redevelopment Strategy Services**  
**Capitol East District**

All aspects of the following scope of services will be closely coordinated with City project staff:

1. Continue to refine and manage the development of the overarching project implementation strategy.
2. Based on defined priorities, assist in implementing key components of project work plan.
3. Develop and assist in implementing overarching district-wide and area-specific development strategies for the project.
4. Develop overarching development approaches and strategies for specific high priority sites. Work with developers and prospects in pre-qualifying interest and providing coordination of development issues as they arise. Assist, as appropriate, in negotiations to structure projects with developers, end-users, and property owners.
5. Assist, as appropriate, in developing and coordinating strategies around property repositioning and site control.
6. Coordinate with City staff on prospecting efforts in the CED.
7. Prepare agendas and facilitation of weekly CED team meetings in order to facilitate proper coordination with potential prospects and developers.
8. Develop project budgets as needed
9. Assist in coordinating all aspects of stakeholder outreach, including neighborhood outreach on development projects.
10. Work with City staff, the Mayor's Office and the Common Council to secure necessary approvals when needed.
11. Coordinate with other consultants and City staff to ensure effective implementation is occurring based on limited resources.
12. Assist in drafting funding requests and grants.
13. As directed, refine and coordinate the development of implementation/organizational structures to ensure long-term implementation of redevelopment in the CED.
14. Oversee preparation of document submissions for regulatory agencies.
15. Perform other duties as required or assigned

The above scope of service is a range of potential services the Bower Group may provide but is subject to budget limits associated with this contract. City staff shall direct these services as required and will

assist in providing prioritization of activities on an ongoing basis to ensure resources are deployed on the highest priority issues.

The Bower Group will be retained at their current level of effort for the first six months of 2012. This represents approximately ten (10) hours per week of effort for 26 weeks, for a total contract value of \$55,000.

**CAPITOL EAST DISTRICT  
2012 SCOPE OF SERVICES – VANDEWALLE & ASSOCIATES**

**Task 1 – General Redevelopment and Economic Development Activities (\$45,000 budget)**

- Attend and prepare for weekly Capitol East District team meetings, provide redevelopment implementation and economic development strategy and tactic guidance
- Brownfield remediation advising and grant guidance
- Ongoing preparation of graphic visualization/plan development to advance District projects, especially the Capitol East Center and Urban Technology Campus
- Meeting attendance, presentations and project advancement with business prospects and developers
- Design integration of public and private improvements
- Attend and support at least two (2) stakeholder meetings, four (4) quarterly promotional events, and other events as needed
- Preparation of implementation strategy for 2013

**Task 2 – Capitol East District Public Improvement Plan (\$16,000 budget)**

Spearhead effort to identify potential public and/or private sector infrastructure improvements that are necessary to implement the Capitol Gateway Corridor BUILD Plan. This Public Improvement Plan should include specific items described in visual and text form to include potential implementation schedules, cost estimates, etc. Scope may include:

- Work to enhance pedestrian and bike connections between the Capitol East District and adjoining neighborhoods and business districts
- Identifying items that should be included in the City's Capital Improvement Program and/or TIF project plans
- Identifying transportation/workforce mobility projects that should be incorporated into the City's Transportation Master Plan.
- Preparing a preliminary improvement design plan for the parking/pedestrian way along the railroad tracks between Baldwin Street and Dickinson Street; along with Baldwin Street and Main Street streetscape improvements

**Task 3 – District Grant Funding Assessment and Preparation (\$4,000 budget)**

- Conduct a comprehensive assessment of grant funding/financing opportunities for district projects and public improvements. A table of project and improvement grant sources will be created and prioritized based on upon estimated likelihood of funding success
- Grant preparation will be conducted on a time and materials basis outside of this scope as directed by the City

**Hiebing  
Capitol East District  
2012 Marketing Plan – Scope of Services**

**Situational Analysis**

The Capitol East District has been under redevelopment for 10+ years. Through 2011, a handful of significant milestones were met: the acquisition of the Don Miller and Schappe properties, the relocation of the ShopBop headquarters into the District, and the RFP process and selection for the 700 and 800 blocks.

There is traction and momentum – some of which has been captured through marketing elements such as the email newsletter and the business events. However, there is still a great opportunity to continue to foster the energy of the District.

With client input, a detailed plan and timeline will be developed from the following goals and initiatives.

**Marketing Goals:**

1. Keep Capitol East District top of mind with City leadership, civic leaders and development industry
2. Drive interest from prospective developers and brokers
3. Engage and excite existing owners, developers, tenants and residents

**Target Audiences:**

- City and civic leadership/influencers
- Existing owners, developers, tenants, and residents
- Regional prospective businesses, investors, and developers

**2012 Initiatives (\$30,000 budget):**

- Help facilitate two neighborhood stakeholder meetings (\$750)
- Continue email campaign, providing quarterly updates regarding the Capitol East District to interested residents, prospective businesses, and other stakeholders (\$8,000)
- Plan and coordinate four quarterly promotional events regarding the Capitol East District targeted to the Madison business community (\$5,200)
- Prepare materials and assist with media support for up to two development milestones throughout the year (\$4,000)
- Assist with the development/maintenance of copy and design within the Capitol East District webpage on the City's website (\$5,000)
- Attend Capitol East District team meetings twice a month, or as needed; and, additional marketing/outreach efforts as needed (\$7,050)