

Garver Feed Mill – RFP Clarifications



11:50 am

Submitted
By
Common Wealth Development

February 15, 2008

1. What is your strategy to address parking needs while being responsive to the concerns of the neighborhood, the Garver Feed Mill Committee, and Olbrich Botanical Gardens (OBG)?

Common Wealth's plan for addressing parking needs for the Garver Arts Facility is guided by the following strategies:

- Convening an Olbrich Area Parking and Transportation Committee.
- Developing collaborative alternative transportation initiatives.
- Utilizing existing parking in the area.
- Collaborating with OBG to coordinate special event parking needs for both facilities.



Olbrich Area Parking and Transportation Committee

An aerial map clearly illustrates that the Garver building is part of a larger community composed of the greater Olbrich Park complex and surrounding neighborhoods. We see parking and transportation for the Garver Arts Facility in this larger context and see ourselves as active participants in an on-going process to address these issues. We propose creating an Olbrich Area Parking and Transportation Committee composed of representatives from Olbrich Botanical Gardens, City of Madison Parks, SASY Neighborhood Association, Friends of Starkweather Creek, Common Wealth Development and other stakeholders to arrive at a final Garver Arts Facility parking plan and to address Olbrich Area parking and transportation issues into the future.

Common Wealth understands that on-site parking for the Garver Arts Facility will be the result of negotiations among all concerned stakeholders with final approval by the Madison Common Council. Each of these stakeholders will have a unique set of issues and concerns around parking and a commitment to good faith participation in the process and creative problem solving are critical to arriving at a workable solution. We see many opportunities: to collaborate with Olbrich Botanical Gardens on alternative transportation initiatives and shared parking, to work with the City of Madison to more fully utilize existing parking lots in Olbrich Park and to work with neighborhood groups on issues such as a safe Atwood Avenue pedestrian crossing and creative parking solutions.

We met with Si Widstrand, Parks Development Manager, on January 31, 2008 to discuss the current parking stock in the area and discussed parking during several conversations with Roberta Sladky, Director of Olbrich Gardens.

We met with Mike Barrett on November 1, 2007 to discuss parking at the Garver Arts Facility. Mike is the President of Urban Thoreau LLC, a consulting firm with expertise in livable communities and sustainable transportation. We appreciate Mike's willingness to share his expertise and creative parking ideas.

We also received a Garver Arts Facility parking concept and site design proposal developed by Mike Barrett, John Steines and Betty Chewing, all members of the Friends of Starkweather Creek. We look forward to working with them and other stakeholders to arrive at a final parking plan.

Alternative Transportation Initiatives

We will collaborate with Olbrich Botanical Gardens on alternative transportation initiatives that will benefit users of both facilities as well as the surrounding neighborhoods.

Community Car – We are committed to hosting a Community Car at the Garver Arts Facility. By offering business tenants, artists, neighborhood residents and OBG staff access to an on-site vehicle, we expect to reduce the number of cars driven in the area and to the facility on a daily basis. For example, an artist could bike to the facility and use the Community Car during the day to pick up art supplies. Similarly, an employee at a business could take the bus and use the car during the day for a cross-town meeting. Community Car users will pay only a small application fee and be billed only for actual usage by the hour. We will explore buying large lots of hours at a discounted rate and pass those rates onto the building tenants. (Please see Garver Arts Facility Community Car Sponsorship proposal in Addendum A on page 13.)

Bikers – The Garver Arts Facility is located right off a popular bike path that links to connecting bike routes and paths. Bikers will easily access the facility from both Sugar Avenue and Fair Oaks Avenue. We will provide both covered and uncovered bike racks located in various spots around the building for visitors and building tenants. Showers on the third floor will serve bikers who commute to the building. We will also explore installing bike lockers.

Pedestrians – The bike path is also used by pedestrians, particularly by neighborhood residents as a safe and pleasant walking route. Pedestrians will easily access the facility from both Sugar Avenue and Fair Oaks Avenue. Crossing Atwood Avenue is currently a pedestrian challenge as up to four lanes of accelerating traffic must be crossed. The nearest stop light controlled pedestrian crossing is located at Fair Oaks Avenue. If and when traffic islands are installed, pedestrians to the west will more easily access OBG and the Garver Arts Facility. We will work to support this initiative.

Bus Riders – Olbrich Botanical Gardens and the North Plat is currently served every 30 minutes by two bus route stops located in front of OBG on Atwood Avenue and on Fair Oaks

Avenue. Garver Arts Facility will provide pedestrian access from Fair Oaks, enhancing bus rider access to Olbrich Botanical Gardens. Currently the only weekend bus service to OBG is on Fair Oaks Avenue. When the proposed Madison Metro Small Business Bus Pass Program is approved, we will look at how Garver Arts Facility and tenants might participate.

We will work with OBG to look at ways to make the bus shelters more inviting and interesting. For example, we could apply for a grant to build artist designed bus shelters.

Electric Tram – Visitors will be able to access both OBG and the Garver Arts Facility by taking a pedestrian access path or an electric cart tram that will have regular stops throughout the gardens and at the Garver Arts Facility.

Canoe/Kayak – We will explore with the City of Madison the possibility of building a quiet water craft landing on Starkweather Creek. This could be used by visitors to the Garver Arts Facility, Olbrich Botanical Gardens and the North Plat.

Promotion Ideas – The Garver Arts Facility will promote alternative transportation access to the building when Internet visitors search for directions. This could include bus route information with a link to Madison Metro, bike routes and bike rack locations, and safe pedestrian crossing information. We will also highlight off-site special event parking alternatives.

We will create alternative transportation intra-building promotion events. For example, Garver Arts Facility tenants who arrive at the building using an alternative transportation mode for a certain number of days in a month would receive prizes such as free lunch at the cafe. We could also coordinate with the Bike to Work week promotional events.

We are open to suggestions and creative ideas on how to promote and incorporate alternative transportation into the Garver Arts Facility!

Utilizing Existing City Parking

We are interested in exploring how the Garver Arts Facility might utilize existing area parking for both weekday and special event parking. We propose that this exploration will be part of the work of the Olbrich Area Parking and Transportation Committee.

We met with Si Widstrand, Parks Development Manager, on January 31, 2008 to discuss the current parking stock in the area including Olbrich Park parking lots and on-street parking. Olbrich Park currently serves primarily the following uses: Olbrich Botanical Garden, motor boating, fishing, soft ball and soccer leagues and winter sledding and skating. Si provided us with City of Madison Parks' Olbrich area parking data.

The parking inventory listed below is located within about ¼ mile of the Garver Arts Facility and may be available for weekday parking.

Weekday Parking Inventory

- Olbrich Botanical Gardens: 155 public single stalls and 15 staff single stalls (not available)
- Lakeland Avenue & Atwood Avenue (at base of sledding hill): 60 single stalls (not available during winter sledding season)
- Starkweather Creek Boat Landing:
 - 7 handicap single stalls
 - 50 single stalls
 - 2 handicap boat trailer only stalls
 - 7 boat trailer only stalls
 - 47 double length stalls that could accommodate 47 boat trailers or 94 cars
- Lake Monona Boat Landing: 6 single cars and 34 car/trailer

- Street parking within ¼ mile radius: 318

On the weekends and weekday evenings during the summer, the boat landing parking lots are heavily used, particularly if the weather is good. The parking lots located across Atwood Avenue currently do not have safe pedestrian access. Street parking needs to be further investigated regarding any existing restrictions and the current level of use. It is our assumption that daily parking needs for the Garver Arts Facility will not be met by using the existing OBG parking lots.

The following parking is located more than ¼ mile of the Garver Arts Facility and might be available for special event parking.

Special Event Parking Inventory

- Olbrich Beach: 125 cars
- Walter Street: 4 handicap stalls, 34 single stalls, 16 double length stalls (16 boat trailers or 32 cars)

These two lots are used primarily by recreational users on summer evenings and weekends.

Another future area to explore is allowing street parking on Atwood Avenue which would create both more parking spaces and hopefully slow down traffic.

Collaborating with OBG to Coordinate Special Event Parking

We define Garver Arts Facility special events as events where attendance is greater than 175 visitors per hour. These could include the following: city-wide Gallery Nights, Open Studio events, Children’s Art Day, etc. These special events would be promoted to the general public.

The Garver Arts Facility will work closely with Olbrich Botanical Gardens to coordinate special event scheduling and offer them use of our parking lot whenever possible. It is likely that both the Garver Arts Facility and OBG will have Holiday special events occurring on some of the same days. When there are concurrent special events we will work together on traffic management plans to direct attendees to other lots and street parking. This is currently done during the Madison Audubon Art Fair in early May that typically draws between 4,000 – 5,000 attendees. Volunteers manage and direct traffic for this event.

- 2. Estimate the minimum number of parking stalls needed for the proposed use(s). Explain the methodology used to arrive at this estimate of needed parking spaces, understanding that there is a desire to minimize parking as much as possible. How many cars are estimated for each proposed use?**

Guiding principles for Garver Arts Facility parking plan:

- Minimize on-site parking for office and artist tenants
- Provide adequate on-site parking for non-special event visitors
- Eliminate over-flow parking

Minimize on-site parking for business and artist tenants

The Garver Arts Facility as proposed has 66,730 sf of net leasable space (page 78 of the Garver Arts Facility RFP).

The Garver Arts Facility will have 40 artist studios and we propose offering 1 parking stall per studio. We estimate that there will be 45-60 artists, so some artists will need to park off-site.

We made the following assumptions: 10% of the artists will live within 2 miles and use alternative modes of transportation; on any given day, 60% of the Type 1 studio (smaller studios designed for 2D) will be working and on any given day, 75% of the Type 2 studio (larger studios designed for 3D) will be working. We expect that most of the Type 2 studios will be shared by at least two artists.

Common Wealth proposes offering market rate office tenants 1 stall per 500 square feet rather than the zoning code parking requirement of 1 stall per 300 square feet. This is the amount of parking in combination with our alternative transportation initiatives we believe will attract the tenants we need to ensure the long term financial viability of the Garver Arts Facility.

Common Wealth believes that the Garver Arts Facility will attract office tenants who are committed to both sustainable development and transportation. We run two successful business incubators that provide minimal on-site parking for business tenants and we have experience in managing permitted parking. We plan to offer a limited number of short-term tenant parking spaces to give non-permitted parkers the opportunity to make pick-ups and drop-offs before they move their vehicle to off-site parking.

Garver Arts Facility staff and café staff on-site parking will be limited to a total of 4 parking spaces. Additional Garver Arts Facility staff and cafe staff will be required to park off-site if they arrive by car.

Provide adequate on-site parking for non-special event visitors

The Garver Arts Facility will be a public facility that will serve Madison area residents and visitors. Common Wealth's parking projections assume that the Garver Arts Facility provides adequate non-special event parking for Garver Arts Facility visitors. It is important that visitor parking is not undersized as that would compromise public access to and use of the Garver Arts Facility as well as negatively impact OBG parking. The Garver Arts Facility will coordinate special event parking with Olbrich Botanical Gardens.

Eliminate over-flow parking

We have eliminated the 76 stall over-flow parking area proposed by Common Wealth in the Garver Arts Facility Proposal submitted September 14, 2007.

Garver Arts Facility Parking Estimates

Common Wealth started a parking analysis by reviewing the current applicable zoning code parking requirements for the Garver Arts Facility proposed uses where possible. Please note that we could not find parking requirements that could address general visitors to the Garver Arts Facility. (Please see Addendum B on page 14.) This gave us a starting framework for addressing parking estimates that we then reworked with the goal of minimizing parking as much as possible. In addition to eliminating the originally proposed 76 over-flow parking spaces, we have eliminated 30 spaces from the main parking lot for the Garver Arts Facility.

The Garver Arts Facility proposed parking estimates are a starting point for arriving at the final on-site parking and transportation plan. We understand that on-site parking for the Garver Arts Facility will be the result of negotiations among all concerned stakeholders with final approval by the City of Madison Common Council.

The configuration and site placement of the parking for the Garver Arts Facility will be addressed by the Olbrich Area Transportation and Parking Committee. We are open to suggestions for how best to place parking to minimize the impact on the site.

Below are tables that break down Garver Arts Parking Estimates by time periods:

- Weekday (Monday -Friday 9-5)
- Weekday Evening (Monday-Friday 5-10 pm)
- Weekends (9 am – 10 pm)

Each table details estimated parking by use followed by assumptions.

Please note that Garver Arts Parking Estimates assume **peak** non-special event public use:

- Meeting Room in use
- Workshop Room in use
- Performance Space in use
- Visitors viewing gallery show, visiting working artists, patronizing restaurant and gift shop

For example, a community group is using the Meeting Room, there is a community art class in the Workshop Room, a dance group is performing in the Performance Space and there is a gallery opening underway.

Garver Arts Facility		
Estimated Weekday (Monday-Friday 9-5) Parking Needs		
Category	Parking Stalls	Assumptions
Office Space	38	1 Stall per 500 SF
Artist Studios	23	10% alternative transp., 60% of Type 1, 75% Type 2 working
Restaurant Inside	8	Majority of lunch diners included in tenant & visitor counts
Restaurant Outside	2	Summer lunch diners more likely to walk or bike
Restaurant Staff	2	Additional staff required to park off-site during day
Meeting Room	8	Meeting Room Use will vary on daily basis
Workshop Room	7	Workshop Room use will vary on daily basis
Gallery/Museum	0	Included in visitor count
Performance Space	0	Performances take place in the evening or on weekends
Garver Facility Staff	2	Additional staff required to park off-site during day
Service/Maintenance	2	Spaces for service or maintenance vehicles
Community Car	1	Reserved stall
Short Term	7	Short term parking for building tenants
Visitors	40	Assumes 2.5 visitors per car/avg. 100 visitors in building
Total	140	

**Garver Arts Facility
Estimated Weekday Evening (5-10pm) Parking Needs**

Category	Parking Stalls	Assumptions
Office Space	6	Most business tenants will not be working
Artist Studios	10	25% of artists with parking permits (40) will be working
Restaurant Inside	8	Majority of diners included in visitor counts
Restaurant Outside	2	Summer diners more likely to walk or bike
Restaurant Staff	2	Additional staff required to park off-site during day
Meeting Room	8	Meeting Room Use will vary on daily basis
Workshop Room	7	Workshop Room use will vary on daily basis
Gallery/Museum	0	Included in visitor count
Performance Space	38	Performances will take place during day or evening
Garver Facility Staff	2	Additional staff required to park off-site
Service/Maintenance	0	These spaces not needed evenings
Community Car	1	Reserved stall
Short Term	5	Less needed evenings.
Visitors	60	Assumes 2.5 visitors per car/avg. 150 visitors in building
Total	149	

**Garver Arts Facility
Estimated Weekend Parking Needs**

Category	Parking Stalls	Assumptions
Office Space	6	Most business tenants will not be working
Artist Studios	23	10% alternative transportation, 60% of Type 1, 75% Type 2 working
Restaurant Inside	8	Majority of diners included in visitor counts
Restaurant Outside	2	Summer diners more likely to walk or bike
Restaurant Staff	2	Additional staff required to park off-site during day
Meeting Room	8	Meeting Room Use will vary on daily basis
Workshop Room	7	Workshop Room use will vary on daily basis
Gallery/Museum	0	Included in visitor count
Performance Space	38	Performances will take place during day or evening
Garver Facility Staff	2	Additional staff required to park off-site during day
Service/Maintenance	0	These spaces not needed on weekends
Community Car	1	Reserved stall
Short Term	4	Less needed on weekends.
Visitors	60	Assumes 2.5 visitors per car/avg. 150 visitors in building
Total	161	

3. Please further describe the proposed lease or sale terms (Length of lease or purchase price of building) that are minimum requirements of the proposal, taking into account any financing mechanisms (tax credits, etc.) that the proposal anticipates.

Common Wealth Development proposes to lease the land under and adjacent to the Garver Feed Mill building for \$1 per year from the City of Madison and to purchase the building for a nominal sum of \$1.00. Common Wealth Development, Inc. (CWD) will be the developer, property manager, and principal and managing partner of the Limited Liability Corporation

(LLC) ownership entity. The for-profit LLC will be utilized to take advantage of New Market Tax Credits (NMTC) and Historic Tax Credits (HTC).

To utilize NMTC and HTC, and to secure financing for the project, Common Wealth must maintain an ownership interest in the building. New Market Tax Credits require a 7 year minimum ownership requirement. Historic Tax Credits require a 5 year minimum ownership requirement.

To secure debt financing, a minimum of a 30-year land lease is needed. Furthermore, it is unlikely that public and private grant sources and donors would invest in a project with less than a 30-year life.

At the end of the 30-year land lease, the City of Madison would have an option to purchase the Garver building for a negotiated price. If the City of Madison chooses not to exercise this purchase option, Common Wealth proposes that the land lease would be renewed for an additional 30 years.

4. Can the proposal provide OBG with their required space needs at no cost? Would this space be located within the Garver Building or at a separate location?

Common Wealth can offer OBG five years of free rent for 14,633 sf located in the west wing of the Garver Feed Mill building. The office space (#131), toilet rooms (#132 & 133), archival storage (#128) and bulb cooler (#129) would be finished as "white box" space. (Please see detailed description below.) OBG would be responsible for paying utilities. The equipment storage area (#130) would be raw space.

"White box space" - Constructing the interior partitions as shown on the concept plans for the Olbrich Space (warehouse & office). The interior would be dry walled and prime painted, all doors installed, (ceilings and floor finishes would not be installed) bathrooms completed and the fire protection system installed. The HVAC work would include interior distribution system and controls (final grills not installed). Electrical would include all final circuitry but not the light fixtures. The space would require a very modest cost to complete the finishes in the space.

Common Wealth can offer OBG this 5-year period of free rent by postponing the roof garden installation and required roof structural changes for a later stage of the project. At the end of 5-years, the City/OBG would have an option to rent, buy or vacate the space.

A less costly alternative approach to meet OBG's space needs would be to construct a stand-alone metal pole building. The cost for such a building is estimated to be in the \$80+ per sf. (14,000 sf would cost \$1.12 million minimum depending on details). The cost of renovating the Garver Feed Mill is estimated at \$123/sf.

5. Explain how the removal of OBG as a tenant and the absence of its lease payment affect the proposal. Provide evidence (proformas) that the proposal will be financially viable if one of the following occurs:

- a. OBG's space needs are met by providing space in the Garver Building at no cost, or;
- b. OBG's space needs are met by the construction of another facility (by the developer).

CWD can provide OBG free rental space in the west wing of the Garver Feed Mill for 5 years. To facilitate the free OBG rental space, Common Wealth Development would defer installation of the planned roof garden.

Please note the attached financial projections in Addendum C on page 15.

After the fifth year OBG would have an option to:

1. Continue to occupy and rent the space at a negotiated rate.
2. Vacate the space.
3. Purchase the west wing of the Garver Feed Mill as a condominium at a negotiated price.

6. If the proposal includes Tax Credits for financing, please elaborate on the exit strategy at the expiration of the tax credits. Who will own, govern, and manage the facility? How will the use restriction affect OBG's tenancy, if any?

Common Wealth Development, Inc. (CWD) will be the developer, property manager, and principal and managing partner of the Limited Liability Corporation (LLC) ownership entity. As stated above, a for-profit LLC will be utilized to take advantage of New Market Tax Credits (NMTC) and Historic Tax Credits (HTC). At the end of the 7 year NMTC period, the for-profit investors will have utilized their tax credit benefits and will exit the LLC. CWD will continue to manage and operate the building as the sole member of the LLC. The exit strategy of the for-profit investors will not affect the day-to-day operations of the Garver Arts Facility.

The NMTC and HTC will not affect OBG's tenancy with the exception that no exterior modifications could be made to the building without prior written approval.

7. Please describe your development strategy related to a capital campaign. How might your efforts complement those of Olbrich Botanical Society?

Common Wealth Development has mapped out a detailed capital campaign strategy for seeking both public and private sources for the Garver Arts Facility. Common Wealth has 29 years of experience raising funds for development projects. The public funds phase of our Garver Arts Facility capital campaign will involve seeking federal grant dollars from several economic development/art sources – HUD Economic Development Initiative, the Office of Community Services and the Economic Development Administration. We will also seek capital funds from the Wisconsin Department of Commerce.

Common Wealth is committed to coordinating with Olbrich Botanical Society on the timing and logistics of our private capital campaign for the Garver Arts Facility so that our campaigns complement each other. We believe that our Garver Arts Facility will attract a unique set of national and regional foundation donors who support the arts and economic development. We have identified a number of these foundations. Common Wealth also plans to contract with a professional fundraising firm to assist us with our capital campaign.

8. How will OBS, OBG and the City be protected in the event of a default either to a mortgage lender or the City?

Common Wealth proposes that a land use agreement or restrictive covenant, with the City of Madison as the beneficiary, could be drafted that would require the building to be used in certain ways. If a change of use is proposed that does not comply with this covenant language, the City would have an option to purchase the building. This would protect OBS, OBG and the City of Madison in the event of a proposed change in use or a default.

9. How will the proposed facility be governed and managed, and will outside parties (OBG, OBS, the City, neighborhoods, etc.) be involved? What governance structure will you enact to guarantee continued collaboration with OBG and by extension, with the larger community?

Common Wealth proposes that the Garver Arts Facility be owned by a single asset Limited Liability Corporation (LLC) with Common Wealth Development as the managing partner.

All Garver Arts Facility staff will be Common Wealth employees and will be hired when the facility opens. Common Wealth Development's Management Team, Executive Director Marianne Morton and Financial Manager, Ted Parker, will supervise the Garver Arts Facility Director. (See detailed staffing plan on page 67 of the Garver Arts Facility proposal.)

The Garver Arts Facility Director will develop a close working relationship with the Olbrich Botanical Gardens Director and staff to facilitate collaborations and coordinate special events. We propose that the Garver Arts Facility Director and Olbrich Botanical Gardens Director meet at least monthly in addition to on-going communications.

Common Wealth Development has a 29-year track record of working cooperatively with the community on all of our projects. In addition to convening the Olbrich Area Parking and Transportation Committee, we will establish the Garver Arts Facility Advisory Council that will meet quarterly. Common Wealth will invite representatives from all interested stakeholders groups to serve on the council.

10. Provide a detailed plan ensuring that the landscaping of the property will be to the same standards set by Olbrich Gardens in their landscaping. Identify resources required to ensure that this landscaping is maintained over the long-term.

Common Wealth will contract with Olbrich Botanical Garden's horticultural staff to design sustainable and beautiful landscaping for the Garver Arts Facility. This landscaping plan will be a key element in the sustainable design of the Garver Arts Facility. We look forward to working with OBG and other stakeholders to arrive at the final landscape design.

We will contract with OBG or a private landscaping company (to the standards of OBG) to maintain the landscaping. We have revised the Garver Arts Facility operating statement to provide on-going funding for landscape maintenance.

Landscaping design goals for the Garver Arts Facility:

- Connect the Garver Arts Facility and Olbrich Botanical Gardens
- Emphasize native plants
- Minimize water use
- Maximize storm water retention

Connect the Garver Arts Facility and Olbrich Botanical Gardens

It is important to create attractive landscaping that connects the Garver Arts Facility and Olbrich Botanical Gardens. This landscaping will invite people to move between facilities and enhance the visitor experience.

Emphasize native plants

Plants native to South Central Wisconsin, such as tall grass prairie species, could be emphasized. These prairie plants could be featured on the north side of the building as a transition zone to the undeveloped area.

Minimize water use

The Garver Arts Facility will be a sustainable development designed to minimize water use throughout all its operations. Choosing hardy, heat resistant plantings will reduce the need to water plantings. Beds will be heavily mulched to retain moisture and suppress weeds.

Maximize storm water retention

Incorporating rain gardens and bio-swales into the landscape design will be the key element of on-site storm water management. We will also explore the installation of a cistern that would capture storm water for watering plantings. These elements will be part of a self-guided tour of the building and site sustainable features.

**ADDENDUM
A**

Car Sponsorship Common Wealth Development – Garver Arts Facility

Sponsoring a Community Car for Garver Arts Facility offers a variety of benefits. Common Development can decrease parking demand at Garver, while providing an incentive and unique service to the businesses, artists, and neighborhoods who take advantage of the facility.

- **Reduce parking demand** – If parking space is limited, having a Community Car on-site can increase busing, biking, and carpooling frequency by offering the freedom of car use. Artists and business tenants will feel more comfortable leaving their cars at home and using alternative transportation to travel to Garver, knowing that they have access to a vehicle for errands, meetings, and last minute needs that arise while they are at Garver.

On average, members drive 50% less upon joining a car sharing organization because they bus, bike, walk, and carpool more often. At Community Car, 57% of members have been able to avoid the purchase of a car, while 22% have either sold or intend to sell a car.

- **Encourage the spirit of community and greener living** – Community Car can build upon the sense of community at Garver by bringing people together through a shared resource and collective effort to live a greener lifestyle.
- **Receive media exposure** – Through a partnership with Community Car there would be many marketing and publicity opportunities.
- **Offer the neighborhood a positive service** – The surrounding neighborhood will appreciate your proactive approach to parking issues and traffic congestion. Community Car can be a gift from Common Wealth Development to the neighborhood.

Through the Car Sponsorship, Community Car provides all the amenities needed for a successful car sharing service at Garver, including fleet management, customer support and marketing.

- Insurance
- Hybrid car lease
- Gas
- Free Application Fee Coupons
- 24 hour reservation service
- 24 hour help line
- Maintenance/Repairs
- Member application process
- Member Orientation
- Marketing staff time
- Usage reports for the Garver vehicle

We would enjoy the opportunity to work with Common Wealth to bring Community Car service to the Garver development. Please feel free to call Amanda White, Vice President, for more information at 608.204.0000 or email amanda@communitycar.com.

**ADDENDUM
B**

Category	City of Madison Zoning Code Parking Requirement	Proposal Space	Zoning Requirements Parking Stall Count
Office Space	1 Stall per 300 SF	18585 SF	62
Restaurant	# Stalls = 30% Room Capacity	60 People	18
		25 Outside	8
Meeting Room	# Stalls = 30% Room Capacity	1176 SF	8
		@ 50 SF/Person	
Workshop Room	# Stalls = 30% Room Capacity	845 SF	6
		@ 50 SF/Person	
Art gallery/Museum	1 stall per 800 SF	3679 SF	5
Performance Space	1 Stall per 4 Seats	150 Cap	38
		4216 SF	
Art Studio Space	1 Stall per 2 Employees	40 Studios	20

**ADDENDUM
C**

**Common Wealth Development
Garver Arts Facility**

RENT ROLL, revised on 02/11/08

LOCATION	area in sf		RENT/SF	Annual Rent	
TYPE 1 ART STUDIOS	13,214 sf	20%	\$ 10.00	\$ 132,140	18%
TYPE 2 ART STUDIOS	8,397 sf	13%	\$ 10.00	\$ 83,970	12%
MARKET RATE OFFICE	18,585 sf	28%	\$ 20.00	\$ 371,700	51%

COMMON/SPECIAL:

PERFORMANCE/PRACTICE	3,084		\$ 12.00	\$ 37,008	
KILN ROOM	1,008		\$ 10.00	\$ 10,080	
MEETING ROOM & WORKSHOP ROOM	1,176			\$ 16,000	
GIFT SHOP	848				
GALLERY	748		\$ 10.00	\$ 7,480	
CAFÉ & KITCHEN	1,623		\$ 5.00	\$ 8,115	
CAFÉ & KITCHEN 3% GROSS	1,414		\$ 10.00	\$ 14,140	
SPECIAL EVENTS/ATRIUM	2,000		\$ 18.00	\$ 36,000	
Sub-Total	11,901 sf	18%		\$ 137,823	19%

Olbrich Botanical Gardens

Free rent to OBG for a 5 year period.

BULB COOLER	225				
ARCHIVAL STORAGE	1,300				
STORAGE EQUIPMENT	10,000				
OFFICE	3,000				
TOILET	108				
OBG TOTAL	14,633 sf	22%		\$ -	0%

Building net leaseable area \$ 66,730 100%

GROSS POTENTIAL INCOME \$ 725,633 100%

11-Feb-08

GARVER ARTS FACILITY: INCOME & OPERATING EXPENSE PROJECTION:

Gross Potential Income		725,633
less vacancy loss	10%	<u>(72,563)</u>
		653,070
+ Utility Reimbursements		<u>68,333</u>
Effective Gross Income		721,403

OPERATING EXPENSES:

Administrative

Office Expenses	8,400	
Telephone	4,800	
Fire protection Call Out Monitoring	300	
Marketing/Advertising	<u>5,000</u>	
Total Administrative		18,500

Employee Costs

Facility Director	50,000	
Marketing/Events Manager	42,000	
Office Assistant	15,600	
Maintenance Staff	25,520	
Health Insurance	20,353	
Payroll Taxes	<u>18,091</u>	
Total Employee Costs		171,564

Building & Grounds Maintenance

Building Maintenance Materials	7,500	
Fire Protection	1,000	
Elevator Maintenance	4,000	
Janitorial	18,800	
Lawn Care/Landscape Maintenance	10,000	
Snow Removal	5,000	
Waste removal	<u>4,000</u>	
		50,300

Utilities:

Water & Sewer	5,000	
Natural Gas - heat & hot water	44,238	
Electric- A/C	46,000	
Electric-Common Areas lighting	<u>18,000</u>	
Sub-total Utilities		113,238

Other:

Accounting		5,000
Legal		5,000
Insurance		7,000
Real Estate Taxes	est.assessed value= \$ 4,497,413	88,357
Replacement Reserve		<u>26,123</u>
Total Operating Expenses		\$485,082

Net Operating Income (NOI)		\$236,321
Funds Available For Debt Service	DCR= 1.20	<u>\$196,934</u>
Cash Flow		\$39,387

Capital Budget
11-Feb-08

Common Wealth Development
Garver Arts Facility

Uses of Funds:

Cost

Acquisition		1
Rehab costs	per Vogel Brothers Construction	13,712,402
Construction contingency	10.00% of rehab cost	in above
Construction Management	2.50% of rehab cost	in above
Site work		in above
Landscaping		in above
Parking		
less deduct for the following items:		
Delete: Structural upgrade to roof	(389,120)	
Roof Garden allowance	<u>(266,421)</u>	
		(655,541)
Architect		411,372
FF&E		100,000
Engineering		20,000
Survey		10,000
Construction Insurance		10,000
Construction Interest		75,000
Real Estate Taxes		40,000
Environmental Assessment		12,500
Appraisal		5,000
Financing Fee		23,750
City Park fees		waived
Legal		50,000
Accounting		25,000
Title Insurance		5,000
Misc. Closing Costs		5,000
Holding Costs		32,075
Development Fee		1,055,855
Marketing		50,000
Rent up Reserve		<u>420,000</u>
Uses of Funds:		\$15,407,414

Sources of Funds: 2-8-08

1st MORTGAGE & NEW MARKET TAX CREDITS	\$4,750,000
HISTORIC TAX CREDIT EQUITY	\$3,374,557
WISCONSIN FOCUS ON ENERGY	\$250,000
PUBLIC GRANTS (NATIONAL, STATE & LOCAL)	\$3,300,000
PRIVATE GRANTS & FUNDRAISING	3,200,000
COMMON WEALTH DEVELOPMENT - DEFERRED DEVELOPMENT FEE	\$532,856
	<u>\$15,407,414</u>
SURPLUS (GAP)	\$0

Common Wealth Development
Garver Arts Facility

7 YEAR CASH FLOW
PROFORMA & REFINANCE

14-Feb-08

	Year						
	1	2	3	4	5	6	7
Vacancy rate	50%	30%	20%	10%	10%	10%	10%
Gross Potential Income	725,633	747,402	769,824	792,919	816,706	841,208	866,444
West Wing Income	-	-	-	-	-	160,513	165,328
less vacancy loss	(362,817)	(224,221)	(153,965)	(79,292)	(81,671)	(100,172)	(103,177)
+ Reimbursable	68,333	70,383	72,495	74,670	76,910	79,217	81,593
EGI	431,150	593,565	688,354	788,296	811,945	980,765	1,010,188
Operating expenses	485,082	499,635	514,624	530,062	545,964	562,343	579,213
Net operating Income	(53,932)	93,930	173,730	258,234	265,981	418,422	430,975
less debt service	-	-	-	-	-	-	344,780
Cash Flow	(53,932)	93,930	173,730	258,234	265,981	418,422	86,195
Reserve Balance	366,068	478,301	675,946	967,978	1,282,358	1,764,898	1,189,338
+ Interest Income	18,303	23,915	33,797	48,399	64,118	88,245	59,467
Ending Balance	384,371	502,216	709,744	1,016,377	1,346,476	1,853,143	1,248,805
Initial Loan Balance	4,750,000	4,750,000	4,750,000	4,750,000	4,750,000	-	(750,000)
- Pay down amount from Reserves at Year 7	-	-	-	-	-	750,000	-
= Stabilized Loan Amount	4,750,000	4,750,000	4,750,000	4,750,000	4,750,000	(750,000)	-

Notes:

- 1) Income & Expenses increase at 3% per year.
- 2) 1st Mortgage Loan: 2% interest only for 7 years, begins to amortize in year 8.
- 3) Reserve Balance is used to pay down mortgage balance at end of year 7.
- 4) West wing becomes income producing space in Year 6 at an average blended rate of \$11.46/sf/year.

Long Term Supportable Debt Estimate

Interest Rate	7.00%
Amortization Period in Years	30
Mortgage Constant	0.079836
Affordable DS in Year 7	344,780
DCR in Year 7	1.25
Maximum Supportable Debt @ Year 7	4,318,587