City of Madison

City of Madison
Madison, WI 53703
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Master

File Number: 74679

File ID:	74679	**File Type:**	Resolution	**Status:**	Items Referred
Version:	1	**Reference:**		**Controlling Body:**	FINANCE COMMITTEE
				File Created Date :	11/15/2022
File Name:	12483 State St Campus Garage Redevelopment			**Final Action:**	

Title: Authorizing the Mayor and City Clerk to execute a Development Agreement with Mortenson Development, Inc, and its assigns, for the reconstruction of the Lake Street portion of the State Street Campus Garage at 415 N. Lake Street (2nd A.D.).

Notes:

CC Agenda Date: 11/22/2022

Sponsors: Patrick W. Heck And Satya V. Rhodes-Conway

Effective Date:

Attachments: MDI Madison Development Agreement (Final) 11.15.22.pdf, FILE ID 64254, 415 N Lake St_Hawthorne Ct_Transportation Department Staff Memo (1).pdf, FINAL State Street Campus Garage - Mortenson Development - Development Agreement Memo (Legistar # 74679) 11-22-22.pdf, CANA Meeting Notes and Development Team Responses 110622.pdf, CANA Lake Street Garage Committee Report.pdf, Transportation Responses 2022-11-27.pdf, TC Summary SSCa Developers Agreement.pdf

Enactment Number:

Author: Matthew B. Mikolajewski, Economic Development Director

Hearing Date:

Entered by: afreedman@cityofmadison.com

Published Date:

Related Files:

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Economic Development Division	11/15/2022	Referred for Introduction				
	Action Text: This Resolution was Referred for Introduction						
	Notes: Finance Committee (11/28/22), Joint Campus Area Committee (11/29/22), Transportation Commission (11/30/22), Common Council (12/6/22)						
1	COMMON COUNCIL	11/22/2022	Refer	FINANCE COMMITTEE	11/28/2022		Pass
	Action Text: A motion was made by Furman, seconded by Phair, to Refer to the FINANCE COMMITTEE. The motion passed by voice vote/other.						
	Notes: Additional referrals to Joint Campus Area Committee (11/29/22), Transportation Commission (11/30/22)						

1	FINANCE COMMITTEE	11/23/2022	Refer	JOINT CAMPUS AREA COMMITTEE	
	Action Text:	This Resolution was Refer to the JOINT CAMPUS AREA COMMITTEE			
1	FINANCE COMMITTEE	11/23/2022	Refer	TRANSPORTATION COMMISSION	
	Action Text:	This Resolution was Refer to the TRANSPORTATION COMMISSION			
1	FINANCE COMMITTEE	11/28/2022	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER		Pass
	Action Text:	A motion was made by Verveer, seconded by Vidaver, to RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER. The motion passed by voice vote/other. The Committee did not go into closed session for discussion on this item, as noted in the agenda.			
1	JOINT CAMPUS AREA COMMITTEE	11/29/2022	Return to Lead with the Recommendation for Common Council to Adopt	FINANCE COMMITTEE	Pass
	Action Text:	Motion by McKay, seconded by Ziegler, to recommend approval of the development agreement to Council. The motion passed by voice vote.			
1	TRANSPORTATION COMMISSION	11/30/2022	Return to Lead with the Recommendation for Common Council to Adopt	FINANCE COMMITTEE	Pass
	Action Text:	Tom Lynch and Economic Development Director Matt Mikolajewski provided verbal reports and, along with Assistant City Attorney Kevin Ramakrishna, Nate Gundrum with Mortenson Development, and Interim Parking Division Manager David Wills, were available for questions. Registrants as follows: Support, wish to speak; Nate Gundrum, Minneapolis MN; John Chapman, W. Johnson St; Neither support nor oppose, wish to speak; Eli Tsarovsky, E. Wilson St; Cleo Le, Spring St; Support, available for questions; Mike Oates, Milwaukee WI; Claire Lommen, Minneapolis MN; Support, does not wish to speak; Tom Atchinson, Minneapolis MN; Brent Webb, Minneapolis MN; Dan Lessor, Minneapolis MN; Jill Drickell, Minneapolis MN; Ryan Hatton, Minneapolis MN; Bremer moved to Return to Lead with the Recommendation for Common Council to Adopt, seconded by Webber. With no further discussion, the motion passed by voice vote/other.			

Text of Legislative File 74679

Fiscal Note

The proposed resolution authorizes a development agreement for reconstruction of the Lake Street portion of the State Street Campus Garage. The 2023 Capital Budget includes $48m for the State Street Campus Garage Replacement project supported by $29.5m in Non-General Fund GO Borrowing and $18.5m in Parking Reserves. Parking will receive an $18m air rights payment associated with the agreement.

Title

Authorizing the Mayor and City Clerk to execute a Development Agreement with Mortenson Development, Inc, and its assigns, for the reconstruction of the Lake Street portion of the State Street Campus Garage at 415 N. Lake Street (2nd A.D.).

Body

WHEREAS, the Madison Parking Utility is planning to reconstruct the Lake Street portion of the State Street Campus Garage at 415 N. Lake Street, and create an intercity bus terminal, as part of a larger mixed use development project; and

WHEREAS, on April 26, 2021, the Common Council approved resolution (RES-21-00295) establishing a process to select a development team to partner with on the development of the State Street Campus Garage Mixed Use Project; and

WHEREAS, per the process outlined in RES-21-00295, upon review of submitted proposals, the Finance Committee directed staff to begin negotiating with Mortenson Development, Inc.; and

WHEREAS, City staff and Mortenson Development, Inc. have come to terms on a Development Agreement to accomplish the goals set forth in the request for proposals for this site; and

WHEREAS, the Development Agreement calls for the City to make a determination regarding the level of affordability within the housing component of the project; and

WHEREAS, "Option A" provides a level of affordability that will provide the City with an $18 million air rights payment from Mortenson Development, Inc.; and, "Option B" provides a level of affordability that will provide the City with a $15 million air rights payment from Mortenson Development, Inc.

NOW THEREFORE BE IT RESOLVED, that the Common Council hereby authorizes the Mayor and City Clerk to execute the Development Agreement with Mortenson Development, Inc, and its assigns, attached hereto; and

BE IT FURTHER RESOLVED, that the Common Council selects affordability "Option A" in Exhibit F of the Development Agreement, which will provide the City with an $18 million air rights payment; and

BE IT FINALLY RESOLVED, that the Mayor and City Clerk are authorized to execute and record the various documents referenced in the Development Agreement, and any other documents required for the real estate closing in a form approved by the City Attorney.