



City of Madison

City of Madison
Madison, WI 53703
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Master

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Reference:

Controlling Body: BOARD OF ESTIMATES

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File Name: Concurring In the Direction Provided to the Judge Doyle Square Negotiating Team at the November 9, 2015, Meeting of the Board of Estimates.

Final Action:

Title: Concurring In the Direction Provided to the Judge Doyle Square Negotiating Team at the November 9, 2015, Meeting of the Board of Estimates.

Notes:

Agenda Number: 13.

Sponsors: Paul R. Soglin and Michael E. Verveer

Effective Date:

Attachments: City - Joint Press Statement 11 2 15.pdf, City - Mayor's Memo to Council 11 2 15.pdf

Enactment Number:

Author: David Schmiedicke, Finance Director

Hearing Date:

Entered by: mlloyd@cityofmadison.com

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Approval History

Version	Date	Approver	Action
1	11/06/2015	David Schmiedicke	Approve

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Finance Department	11/06/2015	RECOMMEND TO COUNCIL TO ADOPT UNDER SUSPENSION OF RULES 2.04, 2.05, 2.24, & 2.25 - REPORT OF OFFICER				

Action Text: This Resolution was RECOMMEND TO COUNCIL TO ADOPT UNDER SUSPENSION OF RULES 2.04, 2.05, 2.24, & 2.25 - REPORT OF OFFICER

Notes: This resolution was introduced directly to the Board of Estimates and not referred by the Common Council.

1 BOARD OF ESTIMATES 11/09/2015

Text of Legislative File 40757

Fiscal Note

The adopted 2015 capital budget includes \$700,000 under PCED Project #12 for the South Capitol Transit Oriented District (\$380,000 in Federal TIGER II grant funds and \$320,000 in TID 25 proceeds). The Parking Utility budget includes \$11.95 million in 2015 for replacement of the Government East parking garage (Parking Utility project #2, Judge Doyle Square Garage).

The 2016 executive capital budget includes \$67 million from TID 25, Parking Utility Reserves, and land sale proceeds to support construction of a parking facility (\$40 million), return of developer equity (\$14 million), job subsidies for Exact Sciences (\$12 million), and a Bike Center (\$1 million). In addition, \$10 million of short-term general obligation borrowing is provided for cash flow purposes in TID 25.

Additional background information on the project can be found at the Judge Doyle Square page on the City Planning website (<http://www.cityofmadison.com/planning/judgeDoyleSquare/>).

Staff resources from the Department of Planning & Community & Economic Development, Finance, Traffic Engineering, Parking Utility, Monona Terrace, City Engineering and City Attorney will be allocated to provide support for the negotiation process without the need for an additional appropriation.

All future expenditures associated with the project will require further Council approval other than the costs associated with the review and developer selection and negotiations with the selected developer.

Title

Concurring In the Direction Provided to the Judge Doyle Square Negotiating Team at the November 9, 2015, Meeting of the Board of Estimates.

Body

WHEREAS, the Common Council approved the issuance of a Request for Proposals (RFP) on February 3, 2015, for the Judge Doyle Square project; and

WHEREAS, proposals were due from developers on May 1, 2015; and

WHEREAS, four RFP responses were received on May 1, 2015, which are considered complete and in compliance with the RFP requirements; and

WHEREAS, the Negotiating Team prepared a Report for the Board of Estimates covering the important aspects of each proposal; and

WHEREAS, on May 19, 2015, following recommendations from the Judge Doyle Square Negotiating Team and the Board of Estimates, the Common Council found that extraordinary circumstances existed in the proposal from JDS Development, LLC and Exact Sciences, and directed that an exclusive negotiation be undertaken with JDS Development and Exact Sciences for a period of time, setting aside the other three RFP responses during the exclusive negotiation period; and

WHEREAS, the Common Council further directed that, to the extent the exclusive negotiations with JDS Development and Exact Sciences could not be concluded on the stated timeline, and Exact Sciences had not extended that deadline(s), the Negotiating Team was directed to initiate a review of the remaining three proposals; and

WHEREAS, following the adoption by the Common Council of an Amended and Restated Development Agreement on September 30, 2015, Exact Sciences decided on November 2, 2015, to end its plans to locate its corporate headquarters and research facility at Judge Doyle Square; and

WHEREAS, on November 9, 2015, the Board of Estimates considered recommendations from Mayor Soglin regarding the next steps in the Judge Doyle Square RFP review process;

NOW, THEREFORE BE IT RESOLVED, that the Common Council does hereby concur in the following direction provided to the Judge Doyle Square Negotiating Team at the November 9, 2015 meeting of the Board of Estimates:

1. By November 18, 2015 - Solicit confirmation from the development teams that they remain interested in their respective project proposals and wish to move forward, including whether JDS Development wishes to pursue a proposal without Exact Sciences. Identify for the development teams certain new items that must be a component in any proposal, and ask developers to identify what, if any, changes they wish to make to their respective proposals and to respond by December 18, 2015.
2. By the end of January 2016 - City Negotiating Team completes an initial review of all proposals still under consideration, and meets with the Board of Estimates/Common Council to obtain direction for future actions.
3. Inform the RFP respondents that the City of Madison has the following expectations in moving forward:
 - a. Strict adherence to the Project Requirements of the City's RFP (Page 8) with the exception of numbers 1 and 9. Instead, proposals can address development on both blocks or on either Block 88 or Block 105, and City space options on Blocks 88 and 105 are not required;
 - b. Maintain the commitments approved by the Common Council on September 29th including the requirements for a Project Labor Agreement, Labor Peace Agreement, targeted business and workforce hiring goals for the construction process, and the creation of a Judge Doyle Square Monitoring Team;
 - c. Improve the functionality of the parking ramp design, including a fully below-grade parking structure option;
 - d. Maintain a minimum 250 room count for the hotel;
 - e. Require appropriate financial guarantees from the development team for all city investment; and
 - f. Regarding Tax Increment District (TID) #25, the City will continue to strive to

maintain a balance at least as large as the amount on December 31, 2014, (\$19 million) for distribution to the taxing jurisdictions upon closure of TID #25. The City will also continue to keep the other taxing jurisdictions on the Joint Review Board apprised of future actions related to TID #25 and JDS.