



City of Madison

City of Madison
Madison, WI 53703
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Master

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Reference:

Controlling Body: BOARD OF ESTIMATES

File Created Date : 11/06/2015

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: 11/17/2015

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

Notes:

Sponsors: Paul R. Soglin, Michael E. Verveer and Zach Wood

Effective Date:

Attachments: City - Joint Press Statement 11 2 15.pdf, City - Mayor's Memo to Council 11 2 15.pdf, File 40757 Version 1.pdf, Link to JDS RFP / Other Documents, Vermilion Development Letter to City Council on process 11-13-15-signed (2).pdf

Enactment Number: RES-15-00893

Author: David Schmiedicke, Finance Director

Hearing Date:

Entered by: mlloyd@cityofmadison.com

Published Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Finance Department	11/06/2015	Refer	BOARD OF ESTIMATES	11/09/2015	11/09/2015	
	Action Text: This Resolution was Refer to the BOARD OF ESTIMATES due back on 11/9/2015						
	Notes:						
1		11/09/2015	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER				

Action Text: A motion was made by Cheeks, seconded by Harrington-McKinney, to RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER. The motion passed by voice vote/other.

1. A motion was made by Rummel, seconded by DeMarb, to strike "including the requirements" from 3b. The motion passed by voice vote/other.

2. A motion was made by Eskrich, seconded by Cheeks, to strike "including whether JDS Development wishes to pursue a proposal without Exact Sciences" from number 1. The motion failed by the following vote: 3:3: (AYE: Cheeks, Eskrich, Rummel; NO: DeMarb, Verveer, McKinney; NON-VOTING: Soglin).

3. A motion was made by Cheeks, seconded by McKinney, to include the following language in item 1 after sentence 1: "Open RFP responses beyond existing respondents to all interested parties."

Strike "to respond by December 18th 2015 and replace with "respond within 60 days".

Strike January 2016 and replace with "February 2016".

The motion passed by the following vote: 4:2: (AYE: Eskrich, Cheeks, Rummel, McKinney; NO: Verveer, DeMarb; NON-VOTING: Soglin).

Notes: 2. A motion was made by Eskrich, seconded by Cheeks, to strike "including whether JDS Development wishes to pursue a proposal without Exact Sciences" from number 1. The motion failed by the following vote: 3:3: (AYE: Cheeks, Eskrich, Rummel; NO: DeMarb, Verveer, McKinney; NON-VOTING: Soglin).

3. A motion was made by Cheeks, seconded by McKinney, to include the following language in item 1 after sentence 1: "Open RFP responses beyond existing respondents to all interested parties."

Strike "to respond by December 18th 2015 and replace with "respond within 60 days".

Strike January 2016 and replace with "February 2016".

The motion passed by the following vote: 4:2: (AYE: Eskrich, Cheeks, Rummel, McKinney; NO: Verveer, DeMarb; NON-VOTING: Soglin).

2	BOARD OF ESTIMATES	11/09/2015	RECOMMEND TO COUNCIL TO ADOPT UNDER SUSPENSION OF RULES 2.04, 2.05, 2.24, & 2.25 - REPORT OF OFFICER	Pass
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Action Text: A motion was made by DeMarb, seconded by Cheeks, to RECOMMEND TO COUNCIL TO ADOPT UNDER SUSPENSION OF RULES 2.04, 2.05, 2.24, & 2.25 - REPORT OF OFFICER. The motion passed by voice vote/other.

1. A motion was made by Rummel, seconded by DeMarb, to strike "including the requirements" from 3b. The motion passed by voice vote/other.

2. A motion was made by Eskrich, seconded by Cheeks, to strike "including whether JDS Development wishes to pursue a proposal without Exact Sciences" from number 1. The motion failed by the following vote: 3:3: (AYE: Cheeks, Eskrich, Rummel; NO: DeMarb, Verveer, McKinney; NON-VOTING: Soglin).

3. A motion was made by Cheeks, seconded by McKinney, to include the following language in number 1 after sentence 1: "Open RFP responses beyond existing respondents to all interested parties."

Strike "to respond by December 18, 2015" in the last sentence of number 1 and replace with "respond within 60 days".

Strike "January 2016" in number 2 and replace with "February 2016".

The motion passed by the following vote: 4:2: (AYE: Eskrich, Cheeks, Rummel, McKinney; NO: Verveer, DeMarb; NON-VOTING: Soglin).

Notes: 1. A motion was made by Rummel, seconded by DeMarb, to strike "including the requirements" from 3b. The motion passed by voice vote/other.

2. A motion was made by Eskrich, seconded by Cheeks, to strike "including whether JDS Development wishes to pursue a proposal without Exact Sciences" from number 1. The motion failed by the following vote: 3:3: (AYE: Cheeks, Eskrich, Rummel; NO: DeMarb, Verveer, McKinney; NON-VOTING: Soglin).

3. A motion was made by Cheeks, seconded by McKinney, to include the following language in number 1 after sentence 1: "Open RFP responses beyond existing respondents to all interested parties."

Strike "to respond by December 18, 2015 in the last sentence of number 1 and replace with "respond within 60 days".

Strike January 2016 in number 2 and replace with "February 2016".

The motion passed by the following vote: 4:2: (AYE: Eskrich, Cheeks, Rummel, McKinney; NO: Verveer, DeMarb; NON-VOTING: Soglin).

2 COMMON COUNCIL 11/17/2015 Adopt Under
Suspension of
Rules 2.04, 2.05,
2.24, and 2.25

Action Text: A motion was made by DeMarb, seconded by Cheeks, to Adopt Under Suspension of Rules 2.04, 2.05, 2.24, and 2.25.

2 COMMON COUNCIL 11/17/2015 Adopt As Amended Pass

Action Text: A motion was made by Schmidt, seconded by DeMarb, to Adopt As Amended. The motion passed by voice vote/other.

Notes:

2 COMMON COUNCIL 11/17/2015 Adopt Main Motion Pass

Action Text: A motion was made by DeMarb, seconded by Cheeks, to Adopt Main Motion. The motion passed by voice vote/other.

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 adopted capital budget includes \$55 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), and a Bike Center (\$1 million).

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

SUBSTITUTE - 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. Open RFP responses beyond existing respondents to all interested parties. 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~~ respond within 60 days.
2. By the end of ~~January 2016~~ February 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.