



## Legislation Text

File #: 21105, Version: 1

### Fiscal Note

Total funding of \$1,750,000 (including \$950,00 in Federal TIGER II grant funds) for this project has been included in the 2011 Adopted Capital Budget of the Department of Planning & Community & Economic Development, Project No. 25, "Public Market Square Planning," Account No. 810707. No additional appropriation is required.

### Title

Authorizing a Joint Master Planning Process with the Marcus/ULI Block 88 Joint venture for a potential convention center hotel and other uses on Block 88, including possible use of the Madison Municipal Building; providing up to \$200,000 to assist in the preparation of the Block 88 Joint Master Plan; authorizing the release of a Request for Proposals for Master Planning for Block 105 (the Government East Parking Ramp site) and a 12-block area of downtown Madison, in conformance with the City's approved TIGER II grant from the U. S. Department of Transportation; and authorizing the Mayor and City Clerk to sign all documents necessary to start the planning processes.

### Body

On September 16, 2010, Mayor David Cieslewicz announced the City's intent to plan for the "Public Market Square Development District ("The District"), a 12-block area on the southeast side of the Capitol Square identified in the City's federal TIGER II grant application with a focus on the two blocks adjacent to the then planned passenger rail station at 101 East Wilson Street. The District will include a new Madison Public Market and other supportive retail, replacement of the aging Government East parking ramp with a new structure, a bicycle center, intermodal transit links, and possibly additional office space and a hotel.

To focus on this emerging vision, the Mayor formed an interdisciplinary City staff team in October 2010 to move the planning forward. Chaired by George Austin under a contract with the City. The staff team established a Charge and a Value Proposition to guide its work as follows:

The Public Market Square City Staff Team has been established to:

- Help form a bold vision for the 12-block Southeast corner of the Capitol Square area as identified in the TIGER II grant with a focus on the two blocks adjacent to the planned new passenger rail station at 101 East Wilson Street- to include parking, a public market, bike station, intermodal transit connections, replacement municipal space and new commercial space.
- Forge an achievable delivery plan to seize the immediate transit-oriented development opportunities including the parking required for the proposed redevelopment and around Blocks 88 and 105.
- Establish a long-term plan that maximizes economic development potential, including public/private partnerships, to take full advantage of the area's future as Madison's transportation gateway.

The individual components of the project, parking, public market, bicycle station, rail station, hotel, were being pursued independently of each other through other staff work and outside contracts. However, it became clear that to meet the broad objectives of the project a coordinated planning and engagement process would be needed.

The City Staff Team's work revealed the following realities.

1. Providing the 400 stalls of parking for the high speed rail station by the end of 2013 was the main

driver of the schedule.

2. The public market planners believe the best site for the market is Block 105.
3. The Marcus Corporation has development rights in Block 88 regarding any future hotel development. It believes Block 88 to be the best site for additional rooms to support Monona Terrace. Understanding how Block 88 could be developed is pivotal to the approach to the development of Blocks 88 and 105.
4. Sorting through the competing uses proposed for Block 105 has to be thought about as a whole and not independently of one another in order for the project to be successful.
5. Receipt of the \$950,000 TIGER II grant from the federal government established the opportunity to plan on a larger scale for transit oriented development in this quadrant of the central business district.

WHEREAS, as a part of the Hilton Hotel project, the City granted Marcus Hotels, Inc., a first right of refusal on any hospitality uses on Block 88 (the block upon which the Madison Municipal Building sits); and

WHEREAS, the City applied for and received \$950,000 in TIGER II funds from the U. S. Department of Transportation to prepare a Master Plan for a 12-block area of downtown Madison, as part of a multi-modal redevelopment initiative that would support the arrival of passenger rail service to downtown Madison; and

WHEREAS, in 2008 the City hired Hunden Strategic Partners to prepare a Downtown Madison Hotel Feasibility Study to make recommendations on the location and projected operation of such a hotel to maximize the performance of the Monona Terrace Community and Convention Center; and

WHEREAS, based upon their research, surveys, and analysis Hunden recommended the development of a 400-room convention center hotel in downtown Madison which would be within walking distance (within a 1,200-foot radius) of Monona Terrace, preferably connected or adjacent; and

WHEREAS, on March 17, 2009, the Madison Common Council accepted the recommendations contained in the Study prepared by Hunden Strategic Partners (Enactment No. RES-09-00245, Legislative File ID No. 13561); and

WHEREAS, Marcus believes that Block 88 remains the best block to construct a hotel to serve the Monona Terrace Community and Convention Center and has partnered with Urban Land Interests (ULI) to create a Marcus/ULI Block 88 (“Joint Venture”) to pursue the possible redevelopment of Block 88; and

WHEREAS, the City believes that a planning effort with the Joint Venture will provide the best possible opportunity to understand how the redevelopment can best function for both underground parking and the potential air rights development; and

WHEREAS, the Parking Utility needs to replace the 53-year old Government East parking ramp; and

WHEREAS, any planning for Block 88 should recognize the historic value of the Madison Municipal Building (designated a Local Landmark on October 15, 2002, listed on the National Register November 27, 2002) and its full integration into any redevelopment that occurs on Block 88; and

WHEREAS, in conjunction with the Block 88 planning, the City wishes to engage a Master Planning Team to prepare a detailed Master Plan for a portion of Block 105 (Government East Parking Ramp) that includes planning for underground parking, the Madison Public Market, a Bicycle Center, and air rights development that including replacement office space for the Madison Municipal Building, and additional commercial and/or residential air rights development including potential for additional commercial space, and replacement City office space presently in the Madison Municipal Building; and

WHEREAS, the City portion of the Block 88 Master Planning will be no more than \$200,000; and

WHEREAS, the Joint Venture will contribute in-house staff resources to assist in directing and coordinating master planning activities and feasibility analysis, and will pay any costs associated with the joint planning process in excess of \$200,000; and

WHEREAS, the potential redevelopment at both Blocks 88 and 105 were planned prior to the announcement of the location of the passenger rail station at the Department of Administration Building at 101 East Wilson Street; and

WHEREAS, to truly complete the balance of Master Planning for Block 105 and the balance of the 12-block area identified in the awarded TIGER II Grant, the City needs to release the RFP for Master Planning Services in advance of the work being completed for Block 88; and

WHEREAS, funding from the awarded TIGER II Grant will be used to provide for the funding of the Block 105 Master Plan, and the Master Planning for the balance of the 12-block area.

NOW, THEREFORE BE IT RESOLVED, that the Common Council authorizes the City to engage in a joint planning effort for Block 88 with the Marcus/ULI Block 88 Joint Venture and for the City to make an expenditure of up to \$200,000 as a contribution to the Joint Venture for use in funding the joint planning efforts.

BE IT FURTHER RESOLVED, that the Common Council does hereby authorize the release of a Request for Proposals for Master Planning for Block 105; and

BE IT FINALLY RESOLVED, that the Mayor and City Clerk are hereby authorized to execute all documents necessary to begin the planning processes described herein, all in a form to be approved by the City Attorney.