



## Legislation Text

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**File #:** 39071, **Version:** 3

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### **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).

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 and City Engineering 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**

Accepting the Report of the Board of Estimates and the June 25, 2015 Report of the Judge Doyle Square Negotiating Team; Authorizing the Mayor and City Clerk to Execute a Preliminary Development Agreement with JDS Development LLC for the Judge Doyle Square Project and Directing Follow-up Actions Outlined in the Master Schedule for the Project; and Directing the Judge Doyle Square Negotiating Team to Continue the Exclusive Negotiation with JDS Development/Exact Sciences Over a Final Development Agreement and Report Back with a Report and Final Development Agreement at the Board of Estimates' August 24, 2015 meeting, to be followed by Common Council action.

### **Body**

WHEREAS, on May 19, 2015, the Common Council accepted the Report of the Board of Estimates and directed the Judge Doyle Square Negotiating Team to immediately engage JDS Development LLC/Exact Sciences in an exclusive negotiation of a preliminary development agreement and report back to the Board of Estimates with a report and draft preliminary agreement by its June 29<sup>th</sup> meeting; and

WHEREAS, the Judge Doyle Square Negotiating Team has engaged the JDS Development LLC/Exact Sciences in negotiations and submitted a Report to the Board of Estimates dated June 25, 2015; and

WHEREAS, on May 19, 2015, the Common Council further directed that, If directed by the Board of Estimates at its June 29, 2015 meeting and concurred on by the Common Council, the Judge Doyle Square Negotiating Team continue the exclusive negotiation with JDS Development/Exact Sciences over a final development agreement and report back with a report and final development agreement at its August 24<sup>th</sup> meeting, to be followed by Common Council action; and

WHEREAS, the Board of Estimates received the Report of the Judge Doyle Square Negotiating Team at its June 29, 2015 meeting and considered the recommendations contained within that Report; and

WHEREAS, on June 29, 2015, the Board of Estimates recommended acceptance of the Report of the Judge Doyle Square Negotiating Team and implementation of the business terms identified in the Report, and

directed the Judge Doyle Square Negotiating Team to continue the exclusive negotiation with JDS Development/Exact Sciences over a final development agreement and report back with a report and final development agreement at its August 24th meeting, to be followed by Common Council action;

NOW, THEREFORE BE IT RESOLVED that the Common Council does hereby:

1. Accept the Report of the Board of Estimates and the June 25, 2015 Report of the Judge Doyle Square Negotiating Team;
2. Authorizes the Mayor and City Clerk to execute a Preliminary Development Agreement with JDS Development LLC for the Judge Doyle Square Project and directs follow-up actions as outlined in the Master Schedule for the project, and
3. Prior to consideration by the Board of Estimates of the final ~~the execution of the preliminary~~ development agreement, the following information will be provided to the Common Council:
  - a. Completed TIF application
  - b. TIF Gap Analysis with the Financial Term Sheet
  - c. Analysis of potential impacts on the parking utility of 650 additional parking stalls if public parking is allowed in leased area during "off hours."
  - d. Analysis of impact on parking utility and city budget from 17-month loss of revenue from Government East parking structure
  - e. Evidence of the viability of a 1:4 or 1:5 car/room ratio for the proposed hotel as used in other "shared parking" environments;
  - f. Clarification of the type of financial instrument and terms of the city's \$12M investment in jobs TIF
  - g. Clarification of the type of financial instrument for the \$12M/12 year jobs guarantee offered by Exact Science
  - h. Clarification of reporting and oversight mechanism for ensuring compliance with jobs TIF terms
  - i. Clarification on whether or not Exact Sciences will guarantee the lease of the entire space, and if so, what type of financial instrument will be used for the guarantee.
  - j. Report by real estate attorney consulting with the city on how optimal protections of the city's interests in the 1031 tax credit land swap
3. 4. Directs the Judge Doyle Square Negotiating Team to continue the exclusive negotiation with JDS Development/Exact Sciences over a final development agreement and report back with a report and final development agreement at the Board of Estimates' August 24, 2015 meeting, to be followed by Common Council action.