



## Legislation Text

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**File #:** 42270, **Version:** 3

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### **Fiscal Note**

The proposed resolution approves execution of a contract for architectural/engineering services for the Capitol East District Parking Structure. This project will be funded by GO Borrowing included in the TID 36 Capitol Gateway Corridor project in the Economic Development Division's 2016 Capital Budget. The contract for architectural/engineering services will be for \$610,000.

~~The anticipated total cost of construction of the Parking Utility structure is \$7,000,000.~~

~~The contract amount for the architectural/engineering services is to be determined upon selection of the firm.~~

### **Title**

2nd SUBSTITUTE - Resolution to execute a contract with Graef-USA Inc. for \$610,000 to complete architecture/engineering for a Capitol East District Parking Structure; and to accept the Capitol East District Parking Structure Staff Report.

### **Body**

WHEREAS, the Capitol East District is a burgeoning part of Madison that is experiencing a high level of investment in development projects that are adding employment uses, residential space, retail, and tax base to the City; and,

WHEREAS, additional parking is necessary to accommodate this growth, to implement the City's adopted plans for this area, and to serve the needs of community destinations in the district such as Breese Stevens Field and Central Park; and,

WHEREAS, the City's 2016 and 2017 Capital Budgets include a total of \$13,000,000 in funding to design and construct a Parking Structure in the Capitol East District; and,

WHEREAS, the City recently completed an analysis of projected housing and commercial development in the Capitol East District as well as an analysis of future parking demand which indicate growing demand for parking in this area; and,

WHEREAS, with recent development projects in the Capitol East District, the City has used Tax Increment Financing to support the construction of private parking to meet the needs of development projects; and,

WHEREAS, consolidating parking into strategically-located public parking structures in the Capitol East District can be a more efficient way to provide parking to meet the needs of private development and provide parking to serve the public; and,

WHEREAS, the City recently worked with a consulting team from Kimley Horn Associates on a detailed model of existing and future parking demand in the Capitol East District and this analysis led to a conclusion that significant additional parking will be needed in the Capitol East District and the recommendation to supply this demand with strategic development of shared parking facilities; and,

WHEREAS, in 2015 the City's Capitol East Committee selected Gebhardt Development to move forward with a redevelopment project on the 800 S. Block of East Washington Avenue that has been named the "Cosmos" project; and,

WHEREAS, the proposed project on the 800 Block of East Washington Avenue will consist of two components: the “Cosmos” project which will be developed by Gebhardt Development and consist of a music venue and additional commercial uses, and the “Spark” project which will be development by American Family Insurance and consists of StartingBlock Madison (a collaborative entrepreneurial hub supported by the City) and office space for American Family Insurance (a 90 year old Madison-based Fortune 500 Company), and

WHEREAS, the proposed Cosmos project will include approximately 200,000 square feet of space in two buildings with one building including StartingBlock Madison (a collaborative entrepreneurial hub supported by the City) and space for American Family Insurance (a 90 year old Madison-based Fortune 500 Company), and the second building slated to include a music venue, a culinary training center, and other commercial uses; and,

WHEREAS, this project will require parking to meet the needs of its anchor employment tenants; and,

WHEREAS, Madison Gas & Electric (MGE) owns property located at the intersection of East Main and South Livingston Street used for equipment storage; and,

WHEREAS, MGE approached the City to discuss making their property at the intersection of East Main and South Livingston available for construction of a parking facility to serve the proposed project as well as other needs in the area; and,

WHEREAS, the City Economic Development Division Staff, Parking Utility Staff, Planning Division Staff, City Attorney’s Office Staff, and Finance Department Staff are currently working with Gebhardt Development, Madison Gas & Electric, American Family Insurance, and StartingBlock Madison to structure a series of agreements necessary to finance and construct a parking structure on the MGE-owned site in parallel with Gebhardt Development and American Family Insurance developing the Cosmos project; and,

WHEREAS, the City Staff is currently working with the project partners on creating a Development Agreement that will describe the terms of a series of transactions necessary for the project to move forward including the purchase of the MGE-owned property for the parking structure, the sale of the city-owned East Washington Avenue property, and the terms for leases of the Parking Structure; and,

WHEREAS, the City Staff and project partners anticipate presenting the Development Agreement to the Common Council for approval in October of 2016; and,

City Economic Development Division staff prepared the “Staff Report to the Common Council on the Proposed Capitol East District Parking Structure” (Staff Report) to brief the Common Council and other stakeholders on the status, process, and next steps related to eight approvals, agreements, and transactions (eight items) necessary to implement the proposed Capitol East Parking Structure at the corner of E. Main Street and S. Livingston Street; and,

WHEREAS, the City released RFP #8518-0-2016-BP to engage architecture and engineering services for the Capitol East Parking Structure; and,

WHEREAS, the Parking Utility reviewed responses to RFP# 8518-0-2016-BP and is prepared to award the contract to Graef-USA, Inc; and,

WHEREAS, the scope of work to complete the Architecture and Engineering for the Parking Structure will consist of three overarching phases: Schematic Design, Design Development, and Construction Documents; and,

WHEREAS, the estimated costs of services for the three phases are \$133,690 for Schematic Design, \$141,160 in additional funds for Design Development, and \$335,150 in additional funds for Construction Documents and Construction Administration, with a total project budget of \$610,000.

NOW, THEREFORE BE IT RESOLVED that the Common Council does hereby authorize the Mayor and City Clerk to execute a contract for an amount up to \$610,000 with Graef-USA, Inc for architecture and engineering services for a Capitol East District Parking Structure; and,

BE IT FURTHER RESOLVED, the selected contractor will initially be authorized to undertake work on the Schematic Design phase for a budget of \$133,690; and,

BE IT FURTHER RESOLVED, if and when the Development Agreement has been approved by the Common Council and based on the overall status of the project upon completion of the Schematic Design phase, the Manager of the Parking Utility will be authorized to make a “go/no go” decision to release an additional \$141,160 to move forward with Design Development; and,

BE IT FURTHER RESOLVED, based on the status of the project upon completion of the Design Development phase, the Manager of the Parking Utility will be authorized to make a “go/no go” decision to release an additional \$335,150 to move forward with Construction Documents and Construction Administration; and,

BE IT FURTHER RESOLVED, the Madison Common Council accepts the Capitol East Parking Structure Report and The Madison Common Council directs City staff and project partners to continue working on the eight items described in the report, with the understanding that a future Council action may be needed on the seven remaining items described in the report; and, development agreement; and,

BE IT FINALLY RESOLVED that the Mayor and City Clerk are authorized to execute, deliver, accept and record any and all documents and take such other actions as shall be necessary or desirable to accomplish the purpose of this resolution in a form approved by the City Attorney.