



## Legislation Text

File #: 56020, Version: 2

This resolution authorizes the selection of a developer and negotiations toward an agreement to develop the private element of Block 88 above the publicly-owned below-ground and above ground parking facilities. A development agreement will also include compensation for the air rights and the above-ground Podium structure consisting of ground floor retail space and two floors of above ground parking. A total of \$50.4 million has been appropriated from Parking Utility Reserves (\$23.4 million), TID 25 incremental revenues (\$24 million), City general obligation borrowing (\$2.3 million), and remaining Federal TIGER grant funds (\$0.7 million). Consulting costs and City staff time related to negotiating a development agreement will be absorbed within the Judge Doyle project budget and current agency budgets. No further city appropriation is anticipated. See the attached staff team report for an analysis of the proposals, including proposed payments to the city for the Podium element of the project and the air-rights.

SUBSTITUTE - Approving the Selection of a Judge Doyle- Block 88 Development Team with Whom to Commence Negotiations and Directing Further Actions.

WHEREAS, on February 26, 2019, the Common Council adopted RES-19-00161 to authorize the issuance of a Request for Proposals (RFP) to seek a developer to complete the private portion of the Judge Doyle - Block 88 project; and

WHEREAS, on March 1, 2019, the City issued the RFP, with a due date of April 15, 2019; and

WHEREAS, on April 15, 2019, three proposals were received by the City of Madison from Gebhardt Development of Madison, WI, Mandel Group of Milwaukee, WI, and Stone House Development of Madison, WI; and

WHEREAS, the Finance Committee conducted interviews of the three development teams on May 16, 2019, and the City Negotiating Team completed a completeness and compliance review of the responses, conducted technical interviews of the development teams on May 7 and 8, 2019, checked references for each development team and prepared an informational report dated May 23, 2019 for the Finance Committee's consideration; and

WHEREAS, on May 28, 2019, the Finance Committee received and reviewed the informational report from the Negotiating Team; and

WHEREAS, on **June 10<sup>th</sup>**, 2019, the Finance Committee considered all the information received throughout the process and recommended that the City proceed with negotiations with **Gebhardt Development**;

NOW, THEREFORE BE IT RESOLVED, that the Common Council does hereby approve the selection of **Gebhardt Development** as the Judge Doyle - Block 88 Development Team with whom to commence negotiations and directs the following actions:

1. Direct the Judge Doyle Negotiating Team to immediately initiate negotiations with the selected development team and to report back to the Finance Committee by August 12, 2019 with a final term sheet; and
2. Provide regular status reports on the negotiating progress to the Finance Committee at its regularly scheduled meetings in July of 2019; and

3. To the extent a final development agreement cannot be completed with the selected development team, the Finance Committee will re- consider the remaining two proposals to select the Judge Doyle-Block 88 Development Team.