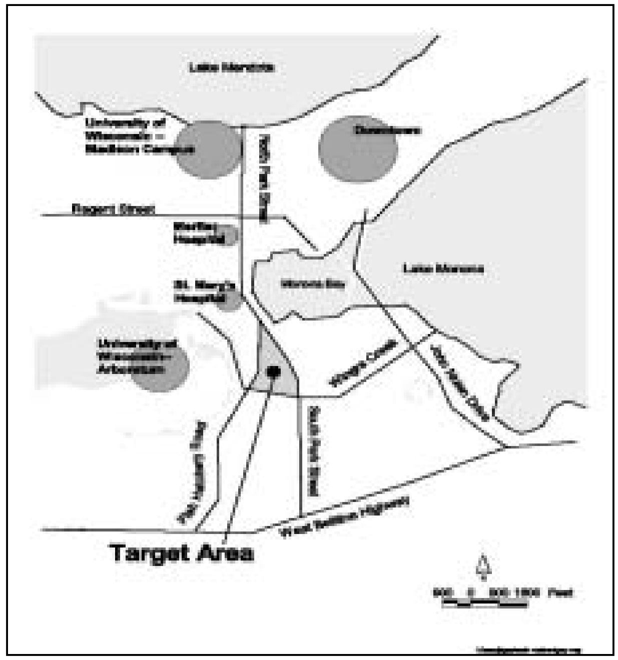
WINGRA CREEK MARKET STUDY AND REDEVELOPMENT STUDY

Scope of Services

The goal of this project is to examine the redevelopment potential for the Wingra Creek Area (Target Area). It will include taking historical planning data and combining it with the new site-specific details, focused ideas, market realities, and business plans for the Target Area. More specifically, it is anticipated that the results of this project will provide a complete profile of existing conditions, redevelopment issues, market assessments and trade areas, proposed redevelopment strategies, financial feasibility, a detailed concept and action plan. The end product of this study will help serve as a marketing tool for the redevelopment of the site, specifically detailing the short-term and long-term vision of the area. The consultants will work closely with an Advisory Committee, City staff, property and business owners, and the general public.



Project Study Area

The Target Area is located in Madison, WI. The Target Area is bounded on the north and west by Fish Hatchery Road, on the east by South Park Street, and on the south by Wingra Creek (See Figure 1). Two arterial streets, Fish Hatchery Road and South Park Street, borders the target area: Fish Hatchery Road carries roughly 26,000 and South Park Street roughly 30,000-50,000 vehicles per day.

I. PROJECT PHASES

Phase I

This phase will encompass the research and presentation of existing conditions and desires for the properties in the target area. Existing condition data to be collected and presented will cover a complete physical profile of each site (including land use, site layout, building type and general condition). It will also include market condition data for future office, residential, commercial and other potential land uses. Site acquisition and retention/relocation discussions with property owners will be a component of this phase.

Task 1: Orientation

1.1. Project Orientation: To initiate the Wingra Creek Market Study and Redevelopment Concept Plan project, the consultant team will meet with the Wingra BUILD Advisory Project Team to:

- Discuss and clarify scope of project, roles, and expectations of project team and consultant team
- Review work plan and timeline for completion
- Discuss framework for communication of project team/consultant work with local organizations, stakeholders, and general public

- Identify and determine the availability of pertinent data
- Determine the process and methodology for interviewing property-owners, business-owners, brokerage and real estate community
- Share important information about the Target Area

Task 2: Inventory and Analysis of Existing Conditions

2.1. Existing Condition Analysis: The consultant team will collect, analyze and present a parcel-by-parcel detailed physical profile of all properties within the 64-acre target area. Existing conditions for parcels should included, but not limited to the site conditions that could affect potential redevelopment options: Ownership, current use, assessed value, occupancy/vacancy/availability, building site and site condition (including building obsolescence), physical/transportation/infrastructure limitations (i.e., access and frontage), environmental considerations (i.e. perceived contaminated site, site runoff to Wingra Creek), and zoning constraints.

2.2. Inventory of Existing Building Function/Use to better understand the uses presently performed and/or proposed at the site location, existing space needs and future needs, space allocation by uses, rents per sq.ft., and the degree of desirability/necessity to remain at current location and/or in South Madison. Identification of financial considerations that will impact the redevelopment of sites such as debts on the existing property, outstanding liabilities and other encumbrances should be noted. It will also include market condition data for future office, residential, commercial and other potential land uses. Site acquisition and retention/relocation discussions with property owners will be a component of this phase.

2.3. Market and Trade Area Conditions (e.g. consider role of sites within the market place, assess competitive districts, identify retail and office opportunities, estimate market rent/sale price per square foot per land use, compile and provide demographic trade area information to assist in solicitation of potential developer/site user, identify issues and challenges to development of sites.). A direct information sharing relationship between the Consultant and real estate professionals representing large parcel owners in the target area is expected. If these existing entities are to stay in South Madison, there needs to be a solid understanding of their needs, market concerns and priorities.

Task 3: Stakeholder Interviews

3.1. The consultant team will interview at least ten (10) key property owners, business owners, institutional stakeholders, and real estate brokers representing strategic sites to assess long-term ownership intentions for key parcels in the Target Area. Pertinent information on potential redevelopment issues should include: level of interest in retaining existing business at current location, desirability of retaining business at current location, level of interest in redevelopment at current site or other location, willingness to sell and estimated selling price, and redevelopment issues/concerns for site. In addition, the consultant team should assemble information on individual properties including surveys, appraisals, building conditions, environmental and financial constraints of properties.

Property owners and stakeholders interviewed by the consultant team will include, but not be limited to:

- Copp's Grocery Store
- Dean Medical Center
- Madison Hospitals (Meriter, St. Mary's, and UW Hospitals)
- Madison Labor Temple
- Morningstar Diary
- US Army Reserve
- US Post Office

<u>Task 4: Inventory of Socio-Economic Market Data</u>

4.1. The consultant team will collect, analyze and present a socio-economic profile of the target area based on U.S. Census data and demographic date from Claritas. Reports prepared and analyzed for the Target Area and adjoining neighborhoods will include information such as household composition, age and gender mix, education levels, racial composition, income levels, business and employment levels, transportation and housing usage, relating to redevelopment recommendations. Reports to be presented to the Project Team include:

- Demographic Trends Report
- Household Trend Report
- Population Growth Report
- Business Facts: Daytime Employment Report
- Executive Summary Report

<u>Task 5: Market and Trade Area Analysis</u>

5.1. The consultant team will delineate primary and secondary trade areas and will conduct a thorough market and trade area analysis utilizing Claritas market analysis data and maps. Reports provided to the City as completed/final products will include:

- Primary and Secondary Market Area Demographic and Household Trend Reports
- Consumer Spending Pattern Reports
- Retail Trade Potential Report
- Total Retail Sales report
- Shopping Center List Report

5.2 The consultant team will analyze and test the market potential for uses as they relate to the goal and priorities established in the existing neighborhood plans. These recommended land uses might include: incorporation of the main street/town center concept, mixed-use/mixed-income development types, health care and major area employment facilities, affordable housing options, affordable business options, employment generators, civic and public art options, etc.

5.3 The consultant team will survey brokerage and real estate development communities to assess potential uses for the Target Area.

Task 6: Redevelopment Suitability Analysis

6.1 The consultant team will evaluate each major parcel or parcel cluster in terms of its potential for reuse and/or redevelopment. The consultant will determine consistencies/inconsistencies of land use/function with previous plans for the area. Parcels that are vacant, underutilized or are planned for redevelopment will be analyzed with respect to the range of potential uses that would be feasible based on characteristics of the site and buildings and market factors. Identification of reuse/redevelopment barriers will be highlighted.

6.2 The consultant team will prepare a bubble diagram of potential concepts.

Phase II

Task 7: Alternative Redevelopment Scenarios

7.1. The consultant team will develop at least three redevelopment scenarios based on the findings of the Phase I. These alternative scenarios will include both a description of parcel-by-parcel development alternatives, general conceptual schematics, as well as alternative strategies that the City could undertake to guide and attract redevelopment and reinvestment in the Target Area. Alternative scenarios will be presented to the Project Team for input and analysis. Continued discussions with property owners on site acquisition and relocations are anticipated during this phase. Refinement of bubble diagram and preparation of site schematics will be

7.2. The consultant team will review design principals outlined in the *Park Street Opportunities to Reality Report (2001), Urban Design Guidelines for the Park Street Corridor (2004), and the Draft South Madison Neighborhood Plan (2003)* for the Target Area. An important concept in the previous plan is the use of traditional neighborhood design principals for this urban setting.

7.3. The consultant team will review recommended redevelopment scenarios for consistency with goals and priorities established in the existing plans: *Park Street Opportunities to Reality Report (2001), Urban Design Guidelines for the Park Street Corridor (2004), and the Draft South Madison Neighborhood Plan (2003).* In addition, *The Healthy City: Model for a Forward Economy (2004)* and *Biomedical Collaborative: A Collective Economic Opportunity for the Madison Metropolitan Area (2004)* will be evaluated.

Phase III

This phase will involve the development of a detailed concept plan with specific implementation strategies, partnerships and general agreements. This concept plan will contain parcel- and business-specific strategies including recommendations on land use, new streets, the type and style of buildings, building massing and placement on lots, and development phasing. It is the hope of the Department that existing business entities in the Target Area will be major components to the final concept plan.

Task 8: Redevelopment Concept Plan

8.1. The consultant team, based on the input from the Wingra BUILD Advisory Project Team, will prepare a detailed concept plan with specific implementation strategies, partnerships and general agreements. The concept plan will contain parcel- and business-specific strategies including recommendations for property assemblage, site improvements, redevelopment and/or reuse concepts, and infrastructure improvements. The recommendations will include specific guidelines with respect to site design access, building massing and placement, and development phasing. Continued discussions with property owners and business owners will be part of this phase.

8.2. The consultant team will create a comprehensive pro forma financial analysis for the final concept plan. This will necessitate a complete investigation of potential financing sources. Identification of potential applications and ramifications of various redevelopment finance strategies and programs (e.g., use of private and public funds such as: Brownfield Initiatives, CDBG, Capital Revolving Loan Program, HOME Program, Private Investment, Redevelopment District, Senior Housing Programs, Tax Credits, Tax Incremental Financing, etc.) included in implementation recommendations. This may also include a relocation program that involves land outside the target area.

Task 9: Implementation Strategy

9.1. The consultant team will prepare pro forma financial analyses outlining funding sources and various redevelopment finance strategies. The financial analyses will include the potential use of funds from the multiple sources including:

- Private: Tax credit programs that may help provide incentives for private investment in the area.
- Public: Tax Incremental Financing (TIF), Community Development Block Grants (CDBG), Capital Revolving Loan Program (CRLP), HOME Program, Brownfield Initiatives, and other suitable mechanisms.

9.2. The consultant team will identify potential institutional partnerships that may play a very significant role in stimulating reinvestment and redevelopment in the Target Area. Potential redevelopment partners in the area include: City of Madison, University of Wisconsin, Madison Area Technical College, Madison Metropolitan School District, Dane County, St. Mary's and Meriter Hospitals, Dean Clinic and UW Hospitals.

II. ADVISORY PROJECT TEAM MEETINGS

Task 10: Wingra BUILD Advisory Project Team

10.1. The consultant team will meet with the Wingra BUILD Advisory Project Team at least nine times, but no more than 12 times, during the project timeframe. The content of the meetings are as follows:

Meeting 1: Discuss project scope, timeline, and end products, summary of inventory analysis, list of property owners to be interviewed, and potential questions, and the process for working with property owners throughout the planning process. Role of project team members will be reviewed, including communications to constituent groups.

Meeting 2: Review of existing conditions, socio-economic, and market analysis findings. Discuss redevelopment scenarios and potential development issues.

Meeting 3: Status review of interviews with property-owners, business-owners, and brokerage and real estate communities.

Meeting 4: Review alternative development scenarios, discuss redevelopment strategies, review potential funding sources, and develop strategies for redevelopment roadblocks.

Meeting 5: Continue to review alternative development scenarios, discuss redevelopment strategies, review potential funding sources, and develop strategies for redevelopment roadblocks. Select a preferred alternative for development.

Meeting 6: Review and comment on preferred redevelopment concept plan and redevelopment finance strategies.

Meeting 7: Continued review and comment on preferred redevelopment concept plan and redevelopment finance strategies. Discuss public open house. Discuss adoption process and other implementation steps.

Meeting 8: Public Open House

Meeting 9: Review comments from the Public Open House. Approve final report(s) and implementation strategy.

III. DELIVABLES

The consultant team will provide the City of Madison with TWENTY (20) copies of the following documents highlighted in the Scope of Services (See list below). In addition, one electronic copy of the documents in a format agreed upon by the City and Consultant will be provided to the grantee at the end of the project.

Phase I Reports

For Socio-Economic Market Data Inventory:

- Existing Inventory, Building Function/Use Report, Stakeholder Interview Summary Report, Demographic Trends Report, Household Trend Report, Population Growth Report, Business Facts: Daytime Employment Report, and Executive Summary Report.

For Market and Trade Area Analysis:

- Primary and Secondary Market Area Demographic and Household Trend Reports, Consumer Spending Pattern Reports, Retail Trade Potential Report, Total Retail Sales Report, Shopping Center List Report, and Summary Report (including summary of interviews with brokerage and development communities)

For Redevelopment Suitability Analysis:

- Summary Report
- Concept (Bubble) Diagram

Phase II

- Alternative Redevelopment Scenario Report
- Alternative Redevelopment Concept Plans

Phase III

- Detailed Redevelopment Concept Plan, Pro Forma Financial Analyses, Implementation Strategy Report, and Summary Report

<u>Project Budget</u>

The total budget for this project is $58,860. The general allocation of budget resources between phases is as follows:

Phase 1 Inventory and Analysis	$25,200
Estimated 180 Team Staff Hours	
Phase 2 Redevelopment Alternatives Scenarios	$11,200
Estimated 80 Team Staff Hours	
Phase 3 Redevelopment Concept Plan	$14,000
Estimated 100 Team Staff Hours	
Phase 4 Implementation Strategy	$ 8,960
Estimated 64 Team Staff Hours	
Expenses	$ 500

<u>Payment Schedule</u>

The Grantee (Stockham Consulting) will submit invoices at the beginning of each month. The invoices will itemize the time and expenses incurred. A retainable of 20% will be applied to each invoice. The final 20% of grant will be released upon acceptance of Final Report. Send invoices to: Department of Planning & Development, c/o Jule Stroick, P.O. Box 2985, Madison, WI 35701-2985.

<u>Project Schedule</u>

The Grantee (Stockham Consulting) is expected to meets its projects goals and expend its funds within four (4) months of execution of the contract. Grantee can submit written request for extension of project beyond the above stated deadline.