



November 18, 2015

Mr. J. Paul Beitler, President  
Beitler Real Estate Services LLC  
980 North Michigan Avenue, Suite 1225  
Chicago, IL 60611

Dear Mr. Beitler:

On November 17, 2015, the City of Madison Common Council adopted a resolution authorizing the next steps in the Judge Doyle Square development process. Consistent with the Common Council's earlier direction on May 19, 2015, the City will consider the other three teams that submitted development proposals on May 1, 2015 now that the exclusive negotiations with JDS Development LLC and Exact Sciences have concluded.

In taking this action, the Common Council also directed the Judge Doyle Square Negotiating Team to solicit confirmation from the three remaining development teams that they remain interested in their respective project proposals and wish to move forward. Further the Common Council clarified its expectations for the development and directed the development teams be informed of the following requirements:

- a. Maintain strict adherence to the Project Requirements on Page 8 of the City's RFP, [http://www.cityofmadison.com/planning/judgeDoyleSquare/documents/JDS\\_RFP02092015.pdf](http://www.cityofmadison.com/planning/judgeDoyleSquare/documents/JDS_RFP02092015.pdf), with the exception of numbers 1 and 9. Instead, proposals may address development on both blocks or on either Block 88 or Block 105. Provision of City office space options on Blocks 88 or 105 are not required.
- b. Maintain the commitments approved by the Common Council on September 30, 2015, for a Project Labor Agreement, Labor Peace Agreement, targeted business and workforce hiring goals for the construction process, and the creation of a Judge Doyle Square Monitoring Team.
- c. Improve the functionality of the parking ramp design. Applications without a fully below-grade parking structure option will not be considered, though additional alternatives that reduce cost by moving some parking above ground will be considered.
- d. Maintain a minimum 250 room count for the hotel.
- e. Require appropriate financial guarantees from the development team for all city investment, per adopted City policies, such as the TIF Policy.
- f. Regarding TIF: TIF amount shall be determined by a completed application processed according to the City of Madison's adopted TIF Policy and the amount shall not be set prior to processing of the application. TIF provided for private components of the project shall be self-

supporting, supported by project increment within the lifetime of the applicable Tax Increment District (TID). As stated in the RFP, TIF shall not be provided for the hotel. The City will strive to maintain a balance in TID #25 equal to or greater than the amount on December 31, 2014, (\$19 million) for distribution to the taxing jurisdictions upon closure of TID #25. The City will also continue to keep the other taxing jurisdictions on the Joint Review Board apprised of future actions related to TID #25 and Judge Doyle Square.

g. Ownership of parking: The parking structure associated with this project shall be owned and operated by the Parking Utility. The City Negotiating Team, in coordination with the Parking Manager, may negotiate terms for long term reservation of parking stalls for the hotel and other development that cover operating costs of the parking. A minimum of 560 stalls shall be retained for replacement of Government East and 40 stalls for Fleet parking.

h. As of October, 2015 the City of Madison completed the schematic design phase for the complete renovation of the Madison Municipal Building (MMB); a national, state, and local historic landmark building located on Block 88. During this phase of design, it was determined the rear of the MMB is the only side of the building accessible for operational access (i.e. garbage storage/collection, maintenance access, deliveries access, bike parking, and staff egress) per the attached site plan. In order to accommodate the City's operational needs in this area, the proposed design includes a rear addition that extends 25'-0" off the rear face of the MMB, along with a property line offset 25'-0" off the rear face of the MMB. The width of the addition is approximately 30'-0". On either side of the addition is a proposed access drive/plaza with the Doty Street elevation approximately 9'-0" higher than the Wilson Street side drive/plaza.

Development teams shall take these parameters for Block 88 into account when updating a proposal; including no proposed development in the 25'-0" between the interior property line and the rear face of the MMB. Proposals that do not meet this requirement(s) may be rejected.

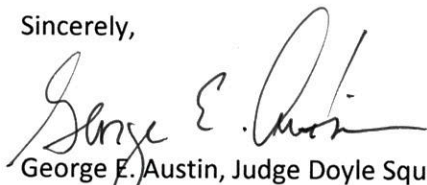
You have until **Tuesday, January 19, 2016 at 2 pm CST** to make any desired revisions to your proposal as well as address the required elements as described above, and submit those changes to the City. The submission should follow the Submittal Format Requirements as described on Page 11 of the RFP.

The Common Council further directed that the Judge Doyle Square Negotiating Team complete an initial review of all proposals still under consideration as of January 19, 2016, and meet with the Board of Estimates/Common Council to obtain direction for future actions by the end of February 2016.

To the extent you have questions, please follow the communication protocol described in the General Conditions section of the RFP on Page 13.

Thank you for your continued interest in the Judge Doyle Square project and we look forward to working with you in the year ahead.

Sincerely,



George E. Austin, Judge Doyle Square Project Director  
City of Madison





November 18, 2015

Mr. Brad Binkowski, Manager  
Doyle Square Development LLC  
c/o Urban Land Interests  
10 East Doty Street, Suite 300  
Madison, WI 53703

Dear Mr. Binkowski:

On November 17, 2015, the City of Madison Common Council adopted a resolution authorizing the next steps in the Judge Doyle Square development process. Consistent with the Common Council's earlier direction on May 19, 2015, the City will consider the other three teams that submitted development proposals on May 1, 2015 now that the exclusive negotiations with JDS Development LLC and Exact Sciences have concluded.

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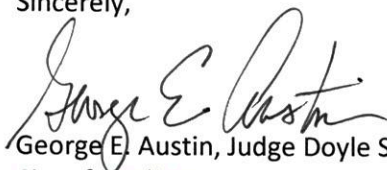
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Sincerely,



George E. Austin, Judge Doyle Square Project Director  
City of Madison





November 18, 2015

Mr. David Cocagne, President/CEO  
Vermilion Development  
401 North Franklin Street, Suite 4 South  
Chicago, IL 60654

Dear Mr. Cocagne:

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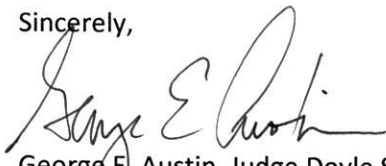
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City of Madison