

October 28, 2013

Mr. Robert P. Dunn, Principal
JDS Development Inc.
c/o Hammes Company
22 East Mifflin Street. Suite 800
Madison, WI 53703

Dear Bob:

Following the developer interviews last week, the Judge Doyle Square Staff Team has begun to analyze the two proposals the City received for the project. The purpose of this work is to provide a report to the Judge Doyle Square Committee to assist it with its charge to recommend a developer for the Judge Doyle Square project to the City Council.

We have initiated this review by focusing primarily on the financial plans sections of the RFP responses. There may be additional questions/issues that arise in the other sections later in the process.

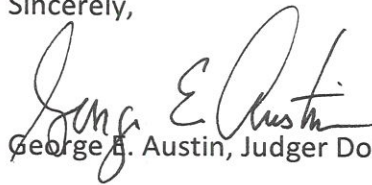
1. The main reason for undertaking this project is to achieve the room block for Monona Terrace. This provision is absolutely critical and the Committee, as an important condition in moving forward, needs to understand your willingness to agree to the room block commitment provisions as outlined in the attachment to this letter. In your response, state your position and any issues you have with the proposed terms of the room block commitment.
2. Your equity contribution to the project is a fundamental consideration for the City. Based on an initial analysis, the net amount of investor equity cannot be readily determined. Are the developer fees being contributed or is all the equity in the form of cash or cash equivalent? Provide more detail on the specific sources and amounts of equity proposed to be provided, the source and type of tax credits to be sought for the project, and the developer fees that will be collected from the project. Each of these elements (equity, tax credits, developer fees) should be allocated to each specific portion of the project (hotel, commercial, residential, retail).
3. To effectively evaluate the proposal, we need more project information on the gross square feet in each element of the project (i.e., hotel, including event space and dining, parking structures, retail, commercial and residential, including the number of apartments) for each scheme on each block.
4. The Madison Parking Utility resources are scarce and must be carefully used in the Judge Doyle Square project. Provide a comprehensive explanation for your proposal to rely on 100% support from the Madison Parking Utility for all

parking costs, including those associated with the hotel and residential development.

5. Initial analysis shows an extremely low rate-of-return that raises questions about the overall amount of public investment that might be ultimately requested if this proposal is selected. Provide a comprehensive explanation for the rate-of-return assumptions for the project.

We need a written response (via e-mail) from you by **Friday, November 8, 2013 at Noon**. This will enable the Staff Team to complete its work for the Judge Doyle Square Committee by the Committee's meeting on November 18, 2013. If you would like to discuss these issues further with representatives of the Staff Team, we can arrange for a conference call with you.

Sincerely,

A handwritten signature in black ink, appearing to read "George E. Austin". The signature is written in a cursive style with a large initial "G" and "E".

George E. Austin, Judge Doyle Square Project Director

Room Block Commitment Agreement (RBC) Terms

- 1) The required room block commitment is defined in the table below.

Required Room Block Days

Booking Period (the number of months the event is to occur after the date of a room block request)	Hold Period (the number of days the room block offer must in effect)	Commitment Days (the number of days room blocks are committed in any given year)	Room Block Size (the maximum number rooms the hotel may be required to commit on any given day)
12-17	60 days	123 (35% of 365)	100
18-23	200 days	219 (60% of 365)	200
24-36	400 days	237 (65% of 365)	250
37+	500 days	274 (75% of 365)	250

- 2) The RBC will define a competitive set of four to six hotel properties in Madison that participate in providing room blocks for Monona Terrace events. At a minimum these properties would include the Hilton, Sheraton, Hyatt Place, DoubleTree, and Madison Concourse Hotel.
- 3) Permitted room block rates offered to potential convention center customers will be indexed to the average daily room rate (ADR) of the competitive set for the most recent calendar year. For example, permitted room block rates may not exceed 125% of the ADR of the competitive set. The index will be negotiated based on pro forma assumptions regarding the group rate in the proposed hotel and the ADR of the competitive set. The permitted rates will be adjusted by seasonal patterns of ADR levels.
- 4) Permitted room block rates will be allowed to escalate from the time of commitment to the date of the event by the lesser of 5% per year or the annual rate of growth in the average daily room rate of the competitive set.
- 5) The hotel operator would have the right to refuse groups based on clearly documented evidence of poor payment history or a history of damaging property.
- 6) The agreement will establish protocols and time frames for the hotel manager's response to room block commitment requests.
- 7) Rooms reserved under a room block commitment will remain available to customers until the 30th day prior to the first scheduled day of the event.
- 8) The room block agreement will allow of the proportional adjustment of the required room block size during periodic renovations of the hotel which would reduce the number of available rooms.
- 9) The developer will be required to implement the RBC through the selected operator of the hotel.

11/8/2013
Judge Doyle Square

We are committed to Madison as is evidence by our pursuit of this project and the substantial investment we are making across the isthmus at The Edgewater. Our goal is to secure the future success of Monona Terrace and to support the vitality and growth of downtown Madison. The plan we propose will result in a generational asset; a magnificent place-making development, creating a great destination for visitors and residents.

This is one of the last remaining opportunities we have to secure the success of Monona Terrace for the long term. Monona Terrace and the City of Madison need more than a standard hotel to remain competitive.

We are a local company that sees the importance this project will have on Monona Terrace and Madison. We are willing to invest a significant amount of equity, more than \$22 million, and have developed a plan that is feasible and beneficial for all stakeholders.

The returns presented in our RFP meet capital market thresholds for the long term hold position we are willing to make. We are committed to this community and propose a plan that diligently uses public investments to develop a feasible, destination caliber project.

Answers to the questions received from City staff on 10/28/2013 are provided below. City staff questions are in **black** and JDS Development replies are in **blue**. Thank you for the opportunity to reply to your questions.

1. The main reason for undertaking this project is to achieve the room block for Monona Terrace. This provision is absolutely critical and the Committee, as an important condition in moving forward, needs to understand your willingness to agree to the room block commitment provisions as outlined in the attachment to this letter. In your response, state your position and any issues you have with the proposed terms of the room block commitment.

We are committed to protecting the long term success of Monona Terrace. The room block agreement is an important component in establishing a successful partnership between all stakeholders. Our comments to the room block agreement you proposed are described below. We will work with the Committee to structure a commitment that is beneficial to all parties. It is important to understand that financing a project of this size will be scrutinized heavily in the capital markets and any agreement such as this needs to be practical from the standpoint of the financial markets.

Room Block Commitment Agreement (RBC) Terms

1) The required room block commitment is defined in the table below.

Required Room Block Days

Booking Period (the number of months the event is to occur after the date of a room block request)	Hold Period (the number of days the room block offer must be in effect)	Commitment Days (the number of days room blocks are committed in any given year)	Room Block Size (the maximum number of rooms the hotel may be required to commit on any given day)
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24-36	400 days	237 (65% of 365)	250
37+	500 days	274 (75% of 365)	250

Booking Period:

We can accept these period durations, however for the last two Booking Periods we will quote a rate based on 2 year projections and revise that rate when the group's event date reaches 2 years from the present date. We will not commit to rates more than 2 years out.

Hold Period:

We can accept these durations of time but additional consideration needs to be given for tentative bookings that overlap city wide events, festivals and special events.

Commitment Days:

We need clarification from the City. It's not clear what is intended by Commitment Days.

Room Block Size:

We accept the 250 rooms and the step down in room block size.

2) The RBC will define a competitive set of four to six hotel properties in Madison that participate in providing room blocks for Monona Terrace events. At a minimum these properties would include the Hilton, Sheraton, Hyatt Place, DoubleTree, and Madison Concourse Hotel.

We will not agree to this competitive set for several reasons.

1. The hotel we propose for JDS far exceeds the offerings and amenities of these properties.
2. The Sheraton is a lower tier product that is not within a reasonable competitive set location (i.e. downtown).
3. ADR does not account for occupancy and is therefore not a reliable determinant for all peak, low and midpoint hotel seasons. ADR is only one tool by which a hotel can manage revenue and profits.
4. A majority of these properties are old and in need of significant capital improvements.
5. The operations of our proposed hotel cannot be subject to operational changes at these other properties. This is a risk we are not willing to accept and this will likely undermine the financial viability of the project.
6. It's not fair or equitable to expect a new hotel with the greatest investment in hospitality to be the only hotel in the market subject to an ADR constraint based on a competitive set of sub-par hotels of a different level of quality, age and location.

3) Permitted room block rates offered to potential convention center customers will be indexed to the average daily room rate (ADR) of the competitive set for the most recent calendar year. For example, permitted room block rates may not exceed 125% of the ADR of the competitive set. The index will be negotiated based on pro forma assumptions regarding the group rate in the proposed hotel and the ADR of the competitive set. The permitted rates will be adjusted by seasonal patterns of ADR levels.

We reject fixing ADR to a competitive set. Our proposed hotel rates and performance cannot be subject to the deficiencies and operations of other properties. We are also concerned this strategy could result in legal issues with an agreement that limits market competition.

It is important to understand that the financial viability of this project is dependent on our ability to be competitive in the market. We have all the incentive to work with the City to facilitate commitments of room blocks at competitive rates in order to support the financial performance of this asset. Our ability to meet our financial obligations requires that we work aggressively in the market and with the City to maximize our occupancy at competitive rates.

We would be pleased to work with the City to explore other ways to effectively collaborate in booking blocks of rooms.

4) Permitted room block rates will be allowed to escalate from the time of commitment to the date of the event by the lesser of 5% per year or the annual rate of growth in the average daily room rate of the competitive set.

We are not willing to accept a cap on growth.

5) The hotel operator would have the right to refuse groups based on clearly documented evidence of poor payment history or a history of damaging property.

We agree.

6) The agreement will establish protocols and time frames for the hotel manager's response to room block commitment requests.

We agree.

7) Rooms reserved under a room block commitment will remain available to customers until the 30th day prior to the first scheduled day of the event.

Rooms reserved under a room block commitment will remain available to customers until the 45th day prior to the first scheduled day of the event.

8) The room block agreement will allow of the proportional adjustment of the required room block size during periodic renovations of the hotel which would reduce the number of available rooms.

We agree.

9) The developer will be required to implement the RBC through the selected operator of the hotel.

We agree.

2. Your equity contribution to the project is a fundamental consideration for the City. Based on an initial analysis, the net amount of investor equity cannot be readily determined. Are the developer fees being contributed or is all the equity in the form of cash or cash equivalent? Provide more detail on the specific sources and amounts of equity proposed to be provided, the source and type of tax credits to be sought for the project, and the developer fees that will be collected from the project. Each of these elements (equity, tax credits, and developer fees) should be allocated to each specific portion of the project (hotel, commercial, residential, retail).

Our commitment of equity is \$22,855,000. Equity will be sourced through a contribution of cash and potentially historic tax credits. The estimated value of historic tax credits is projected to be in the range of \$1.0 million to \$1.5 million.

As was stated in the RFP interview, we are not currently including New Markets Tax Credits in our proposed Sources and Uses. Based on our experience with past projects, securing NMTC's is challenging for hotels so we did not assume NMTC financing as part of determining the feasibility of our proposed approach. If we elect to pursue and are successful in securing NMTC financing, it is our intent to apply the value of the tax credit investment towards reducing the debt (and not as equity) included in the sources of funds, thereby further securing the long term viability of the project.

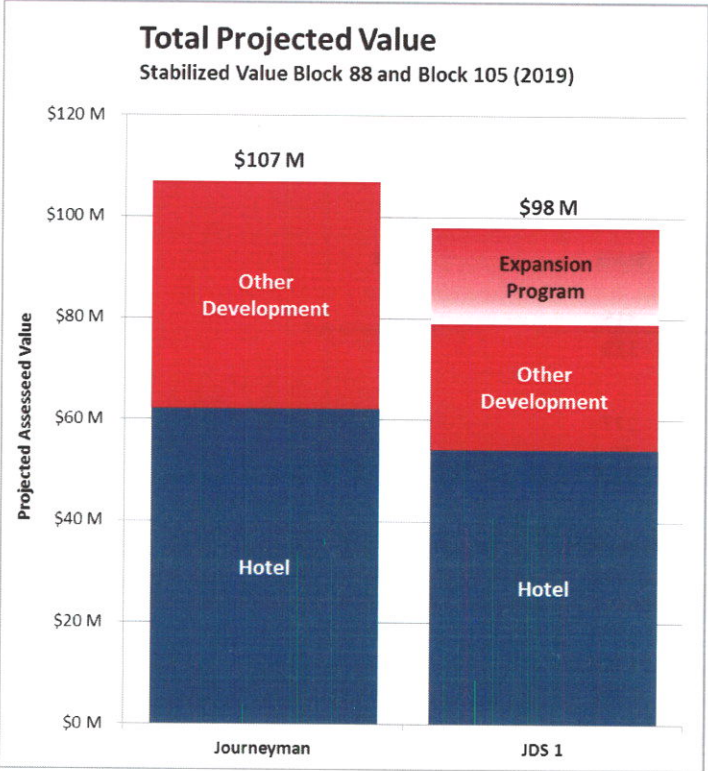
3. To effectively evaluate the proposal, we need more project information on the gross square feet in each element of the project (i.e., hotel, including event space and dining, parking structures, retail, commercial and residential, including the number of apartments) for each scheme on each block.

	Scheme 1 MMB Anchors Hotel	Scheme 2 MMB Remains City Offices
BLOCK 88	Areas (GSF)	Areas (GSF)
Retail	7,480	11,850
Hotel Food and Beverage	19,800	
Hotel Meeting Rooms	11,250	6,800
Wellness/Fitness	11,000	10,000
Renovated Room 260	2,000	
Hotel	203,900	168,420
Parking - Above	118,300	101,845
Parking - Below		113,530
Total Program Area	373,730	412,445
Hotel Units	308	308
Parking Counts by Location	Stalls	Stalls
Below Ground		286
Above Ground	315	250
Total Parking Stalls	315	536
Parking Stalls by Use		
Hotel	277	277
Public	38	259
Total Parking Stalls	315	536
BLOCK 105	Areas (GSF)	Areas (GSF)
Retail	7,000	5,180
Offices (City in Scheme 1)	80,000	80,620
Bike Center (including future lobby)	4,000	4,000
Mixed Use / Residential	94,900	96,900
Support/Loading/Misc.	4,350	4,280
Parking	236,670	181,060
Total Program Area	426,920	372,040
Residential Units (assumes approx. equal SF/unit)	80	80
Parking Stalls		
Below Grade	42	92
Above Ground	554	385
Total Parking Stalls	596	477
Parking Stalls by Use		
Municipal Fleet	40	40
Mixed Use	80	176
Public	476	261
Total Parking Stalls	596	477
Expansion Area	65,000	

Our proposal included a program that we are confident can be supported by market demand. We also showed the ability to expand the program if future market demand exists for commercial, residential and/or hospitality uses.

Market demand will ultimately define the private program to be built on these two blocks. Thus assessed value and fiscal impacts under any scenario will be roughly equivalent.

If market demand supports full build out of the maximum program on Block 105, the graph provided by City staff comparing the Total Projected Value for each proposal would need to be adjusted to reflect the full expansion program we have allowed for in our plans.



4. The Madison Parking Utility resources are scarce and must be carefully used in the Judge Doyle Square project. Provide a comprehensive explanation for your proposal to rely on 100% support from the Madison Parking Utility for all parking costs, including those associated with the hotel and residential development.

We would like to work with the City to explore the best ways to keep the cost of parking to a minimum. We have already identified that above grade parking versus below grade parking will significantly reduce the capital cost burden of parking on the City.

Another major cost component of this project will be the cost of financing. We need to strategically utilize all resources of the City to keep the finance costs and overall costs of parking as low as possible for JDS to be feasible. For example, as has been done on past projects, the City can issue double tax exempt bonds which would be a lower cost alternative to other means of financing.

Eventually, the formal structure of parking components will require a lease or license agreement to provide the necessary parking for the commercial components of the project. We will need to work with the City to address the most desirable approach to the ownership structure. We propose exploring an ownership structure similar to Block 89.

George,

Thank you for the opportunity to address the questions raised by the committee and staff. You have submitted several questions pre and post interview. I'll answer your questions using the format you provided to ensure we provide complete feedback. For simplicity purposes, I used colored text as follows:

Black Text: Questions from JDS Committee and staff

Blue Text: Replies from JDS Development

Pre Interview Questions

Blocks 88 and 105

1. Provide the square foot mixed use assumptions for Block 105 and clarify how these assumptions are included in cost totals and TIF loan need. How would cost assumptions change if low value high density requests were reduced or removed? (JDS p. 24)

In Scheme 1 the mixed use assumptions for Block 105 include retail/dining at street level and residential units or commercial space in the mixed use building in addition to the separately identified city offices and bike center. By only building what we believe the market can support a TIF loan is assumed to not be needed for Block 105.

In Scheme 2 the mixed use assumptions for Block 105 include a mix of retail/dining at street level, residential and hotel units in addition to the separately identified office and bike center. Scheme 2 was presented on the basis that it would need to be self-supporting, but as the pro forma evidences this scheme will need substantially more TIF or other subsidy to be feasible. It was assumed TIF would not be made available for spec office and market rate residential. It is also expected an annual subsidy or further TIF will be needed to support this density.

2. Provide actual views from rooftop outdoor usable spaces. Provide renovation cost and use assumptions for each MMB floor including the lower level. How is room 260 of the Madison Municipal Building changed?

The views are included in the RFP interview presentation.

In our preferred Scheme 1 it is not practicable to break these costs out by floor as it would need to ignore the overlap of several elements such as MEP, circulation, exterior skin, roof, etc.

Please see the floor plans on pages 13 – 16 of our RFP reply for our preferred approach for uses on each floor of MMB under Scheme 1. In our alternate Scheme 2, the city's capital budget was assumed for renovation of MMB for city offices.

Room 260 will be a focal space within the hotel. As an extension of the main lobby, a new grand stair connecting the main lobby and second floor meeting rooms will bring hotel guests and meeting room occupants into room 260. The size, shape and volume of room 260 will remain with the opportunity to keep the wood wall paneling intact to establish the historic character of the architectural detailing for the rest of the space. The new use of the room will be an exceptional and unique gathering space outside of the meeting spaces.

3. Provide the square footage and locations for meeting rooms and full service features for hotels.

The meeting rooms are located on the second floor of the hotel and are 11,250sf. Full service hotels typically feature restaurant(s), fitness area, meeting rooms, banquet facilities, and other amenities.

4. On page 11 under Section 3.0 for Scheme 1, there isn't a breakdown of retail on the first floor for Block 88.

Scheme 1 Block 88 - First Floor Retail is 7,480sf.

On page 12 under Section 3.0 for Scheme 1 it doesn't provide square feet for retail/dining space.

Scheme 1 Block 105 - Retail/Dining is 7,000sf.

On page 25 under Section 3.0 for Scheme 2 it doesn't show the square feet of office or retail spaces.

Scheme 2 Block 105 - Office is 80,620sf. Retail is 5,180sf.

It also doesn't break down the number of public and private parking spaces. Please provide this information.

Please refer to counts on pages 11 and 12 as well as the parking demand calculations on pages 40 and 41 of our RFP reply.

5. Although the preferred JDS Development proposal shows an aerial view prospective from Doty and Martin Luther King Blvd., Scheme 2 does not. It would be appropriate to provide the same rendering for Scheme 2.

An aerial view from Doty and Martin Luther King Blvd for Scheme 2 can be found on page 32 of the RFP reply.

6. Can the City assume no additional cost for Block 105 city office space other than the square foot construction cost that's provided?

The costs provided are for developing 80,000 SF of office space on Block 105. We believe these costs will be sufficient to construct an office building for city purposes. If the city requires items outside a standard commercial office building consistent with the Madison market there could be impacts on budget.

7. How many on street parking spaces are being lost in both Schemes?

This was discussed during the interview.

Parking

1. Please clarify how the public and private parking spaces are separated in Block 88 and 105 for both Schemes.

Signage could be used to identify reserved, private, public, time limitations, etc. in parking levels, bays, and/or stalls.

2. It appears that you could provide another 100+/- spaces on the east portion of Lot 105. Please provide an estimate of the cost of another below grade level of parking for Scheme 1.

Adding stalls below grade may be possible but we don't see any economic reason to do so. Our plans accommodate an adequate amount of parking on Block 105. Pushing the planned parking below grade will only create space above ground that is currently not marketable. We're better off using the parking to create higher, more valuable space.

3. Your proposal uses a shared parking demand strategy to reduce the number of total parking stalls needed for the mixed-use development. Please provide information and/or examples of how shared parking has worked for other mixed-used developments in which your team has been involved.

This was addressed during the interview but additional information is as follows.

Shared parking is successfully used in many communities. For JDS, we used the methodology and data developed by Urban Land Institute (ULI). ULI has been collecting and publishing shared parking data since mid-80s. Based on widely accepted methodology, the shared parking approach and data provided by ULI is commonly used for most mixed use projects.

Public and private owners/stakeholders of the projects below successfully made shared parking a key part of their projects. The factors that made the shared parking concept successful include:

- Parking facilities were conveniently located within reasonable walking distances
- Encouraged shared parking use – Public administrators actively encouraged the use of shared parking
- Created shared parking agreements which made it easier for developers to implement and take advantage of this approach

Members of our team have been involved in many projects where shared parking has been successfully implemented. The following is a short list of our shared parking experience:

- City of Fort Collins, Colorado
- Cedar Rapids, Iowa
- South Side Works, Pittsburg, Pennsylvania
- City of Grand Rapids, Michigan
- City of Detroit, Michigan
- City of Green Bay, Wisconsin
- City of New York, New York

South Side Works, Pittsburg, Pennsylvania

- 123 acre brownfield site redevelopment
- Total public investment: \$128M
- Mixed-use elements:
 - Residential
 - Retail
 - Office/Commercial
 - Light industrial
 - Hotel
 - Public parks
 - Sports training facilities

- Parking
 - Four parking structures
 - One parking lot
 - On-street spaces
 - Parking shared by all land uses

Thirty-Eight, Grand Rapids, Michigan

- 90,000SF mixed use development
- Total public investment: \$9M
- Mixed-use elements:
 - Residential
 - Retail
 - Restaurants
 - Office
- Parking
 - 379-space parking structure
 - Other parking facilities in the area
 - On-street spaces
 - Parking shared by all land uses

4. Your proposals include over 902 parking spaces within scheme 1 and over 859 parking spaces within scheme 2, with all parking costs being incurred by the City. Please elaborate on how you envision parking ownership working, and specifically what arrangements would be proposed for the uses other (hotel, retail, residential) than public parking?

The formal structure of these components will require a lease or license agreement to provide the necessary parking for the commercial components of the project. It will also require either a condominium unit or a lease agreement to address the City Offices on Block 105 in Scheme 1. The Developer will need to work with the City to address the most desirable approach to the ownership structure. We would be interested in exploring an ownership structure similar to Block 89.

5. Your proposal shows an exit location for Block 105 on Doty Street at the east end of the site. This may result in congestion for vehicles exiting this location at peak periods due to traffic queues from the Doty Street/King Street intersection extending beyond the exit. Consider relocating the Doty Street exit for block 105 further to the west. Consider providing means to close this exit as needed and redirecting all exiting traffic to the Wilson Street exit.

One option could be to move the exit lane closer to the entry lane. This may not be the ideal location but it could decrease traffic congestion concerns on Doty Street. We would appreciate the city's feedback and recommendations as we further define the design of parking.

Variable message signs (VMS) could be provided above the Doty Street exit lane for purposes of closing this lane during specific times. When the Doty Street exit is closed, the VMS would show in red text, "CLOSED," "DO NOT ENTER," and "USE WILSON ST EXIT." Additionally, the parking gate will be programmed such that the gate arm will not be raised.

6. Floor plans do not show where Parking Access Revenue Control Equipment, including gates and pay on foot stations, would be located, or provide space for these amenities. Please elaborate on the design and location of these amenities.

The design and location of Parking Access Revenue Control Equipment is dependent on the final parking revenue management system and corresponding technology package selected by the city during their RFP process for this management system. The Parking Access and Revenue Control (PARC) Equipment could be located in a variety of places depending on the system selected as the system will ultimately define the proper location.

On entry/exit islands you could locate:

- Ticket Dispensers
- Ticket/Card Readers
- Proximity Card Readers

Above entry/exit lanes you could locate:

- AVI Readers
- Park-by-Phone Readers

Pay-on-Foot Stations could be located in the stair and elevator lobbies at the pedestrian connections to the streets.

Post interview questions

1. Committee member Annette Miller requested during the meeting that the green building techniques that are built into your budget assumptions be briefly described.

We are committed to promoting sustainable practices during construction and throughout the on-going operations of the JDS project. The following is a representative example of guideline criteria that will be evaluated for inclusion into the project (construction) and operating manuals.

This guideline serves as the framework to establish specific goals and objectives as the project moves forward and will be utilized by project team members including staff, designers, engineers, contractors and vendors that work on the project to guide decisions on the construction and operations.

Renewable Construction Practices:

Sustainable practices will be integrated into the strategy of the project.

- Complete assessment of constraints and opportunities associated with the existing site and buildings;
- Implement recycling program for waste, materials, furniture, fixtures and equipment that can be salvaged and re-used by the project or others from existing buildings;
- Reuse existing structure to minimize disruption, control the amount of new materials and the amount of trips of construction traffic;
- Prioritize use of renewable resources in construction to minimize construction waste;
- Favor locally/regionally sourced products;
- Replace windows with energy efficient windows;
- Replace mechanical, electrical and plumbing with energy efficient systems.

Removal of Hazardous Materials:

To the extent hazardous materials are present, the following will be undertaken:

- Complete a Phase I and Phase II Environmental Assessment;
- Remove (preferable) or encapsulate any existing material containing asbestos prior to the start of construction;

- Remove lead paint from premises;
- Dispose of Hazardous Materials in approved facilities and in accordance with applicable regulations.

Sustainable Site Development:

Landscape and site design will integrate into landscape design features:

- Development public spaces;
- Maintain grade control;
- Stormwater management systems;
- Landscape areas shall be designed to require minimum additional irrigation and integrate in the design low-consumption irrigating equipment;
- Irrigation management “smart control” system;
- Use of adaptive plant species in landscape design;
- Preventative pest management program that limits the amount of fertilizers and pesticides and favors treatment to organic fertilizers;

Water Savings:

Integrate efficient design and building systems within the project, including:

- Utilization of high-efficiency fixtures and equipment (e.g. kitchen equipment, toilets, showerheads, etc.)
- Conventional and non-conventional energy efficiencies;
- Consider applications for alternative technologies such as solar and thermal energy sources;
- Metering systems for all water uses shall be included with sub-meters on main points of use;
- Water flow regulators will be fitted to all wash basin taps and hand showers;
- Wash basins and urinals in public toilets will be fitted with controlled infra-red taps.
- Rainwater or grey-water recycling feasibility will be assessed by a specialist.

Conventional/Non-Conventional Energy Efficiency:

Integrate energy efficient design and building systems within the project, including:

- Appropriate orientation of buildings, location and sizing of windows or other glazed areas to promote passive energy benefits;
- Optimizing sizing of MEP systems;
- Utilize measurement and verification of modeled energy consumption to identify opportunities to improve/enhance performance of systems;
- Air handling units (AHU) with high efficiency heat recovery systems between air extract and air supply where space allows;
- Metering systems of all energy uses shall be included with sub-meters on main points of use;
- Modulate fresh air flow to optimize usage during peak periods for units dedicated to individual spaces;
- Motion sensors installed in low occupancy / use spaces;
- Implementation of energy efficient T8 and/or T5 fluorescent light fixtures;
- Implementation of LED lights on all exit signs;
- Energy efficient hallway and common area lighting;
- Gas boilers to be full modulating type and include at least one condensing unit;
- Well insulated water pipes and air ducts;
- Circulating pumps, fans, AHU’s will be fitted with variable speed drive.

Sustainable Operations:

To the extent feasible or available, the project is commitment to the implementation of environmentally sensitive operations programs that include:

- Staff training/education on environmental standards;
- Operations recycling program;
- Implementing a comprehensive waste management policy that addresses proper disposal and recycling of materials and limits amount of waste sent to the landfill.
- Recycling bins included in guest rooms;
- Electronic accounting/inventory management system;
- Use of environmentally sensitive soaps and bath products;
- Linen re-use option encouraged in rooms;
- Involvement in donation of partially used soaps, etc.;
- Operating restrictions to reduce noise pollution;
- Enclosed loading dock and waste area to reduce noise pollution.

Sustainable Operation – Food and Beverage Facilities:

To the extent feasible or available, the project is committed to the implementation of environmentally sensitive operations programs that include:

- Staff training/education on environmental standards;
- Sustainable/local food program;
- Bottled water is US sourced;
- Standard water service in reusable glass pitchers;
- Use of recycled paper for guest and administrative functions;
- Operations recycling program;
- Recycling bins integrated into meeting/banquet levels;
- Electronic accounting/inventory management system;
- Involvement in food donation programs.

Transportation:

The development plan integrates the following:

- Pedestrian friendly paths/areas;
- Bike parking;
- Complete/implement traffic demand management program for employees;
- Encourage alternate transportation by employees.

2. During the presentation, Ms. Miller also requested more information on the WBE/MBE plans for the construction project. She asked if the goals and progress to date on the Edgewater project could be shared. If that isn't public information, could you use another recent project which is public?

Our year-end report will be completed during the 4th QTR. At this time we are compiling the data for our own evaluation. This is a private project so we won't be publishing our results but we are very confident that our efforts are having a positive impact on workforce development and retention in the community.