



September 26, 2013

Mr. Steven A. Cover, Director
Department of Planning & Community & Economic Development
City of Madison
Madison Municipal Building, Room LL-100
215 Martin Luther King Jr. Blvd.
Madison, Wisconsin 53703-3346

Re: Judge Doyle Square – Request for Proposal

Dear Mr. Cover,

Journeyman Group, with its development partners Marcus Hotels and Resorts and LZ Ventures, is pleased to present our response to your Request for Proposal for the financing, planning, design, construction and management of the proposed Hotel and Multi-Use Developments for the repurposing of Blocks 88 and 105 of the Judge Doyle Square. Journeyman Group, acting as master developer and design-builder for our development team, is comprised of highly experienced professionals with success raising private equity and securing debt financing for the completion of publicly financed hotel and convention center projects. Our development team partners are currently active and highly regarded within the Madison community as hotel, office and residential developers, which we believe is vital to our ability to deliver projects of this scope and complexity.

Our development team, working in conjunction with Marriott; Metropolitan Capital Advisors, Ltd.; a design team consisting of Kahler Slater, CMMI and Knothe & Bruce; local engineering consultants; and Findorff Construction provides an ideal mix of local and nationally recognized and award winning firms; assuring that this Project will be planned, designed, financed, constructed and managed to meet the City of Madison's highest expectations.

Our team welcomes the opportunity to work closely with the City staff, its financial advisors and bond counsel to ensure the City's preferences and objectives are incorporated into the Project's design and capital structure. We will work diligently to maximize the City's benefits while minimizing their financial exposure by creating a final capital structure that incorporates the legal and practical ability to support the financing. Our team can deliver a project tailored to your economic, cultural and environmental needs. We stand ready to serve as your trusted developer for this very exciting project. If you have any questions, please do not hesitate to let me know.

Respectfully,

Journeyman Group

Harley Blackburn
Vice President

Journeyman Group

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Form A	Signature Affidavit.	v
Chapter 1	Requirements from Section 2, Section 3 and Section 6 from RFQ	1
Chapter 2	Madison Municipal Building.	2
Chapter 3	Detailed Project Design and General Outline Specifications.	3
	1. Project Concept	3
	2. Design Narrative	11
	3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction.	13
	4. Area Analysis.	32
	5. Sustainable Features.	33
	6. Draft LEED Checklist – Block 88	35
	7. Green Construction Practices.	37
	8. Block 105 – Parking Sustainability.	39
	9. Detailed Specifications.	42
Chapter 4	Property Management Plan	44
	1. Property Management Plans – Hotel and Residential	44
	2. Property Management Plans – Retail, Office and Parking.	46
	3. Sustainable Operating Practices.	52
Chapter 5	Parking Management Plan.	53
	1. Parking Management Plan	53
	2. Parking Study.	56
Chapter 6	Bicycle Center Management Plan.	66
Chapter 7	Description of Hotel Room Block	68
	1. Hotel Room Block Description.	68
	2. Reservation System, Service Level, Meeting Spaces and Booking Process.	69
	3. Marriott Marketing Plan	70
Chapter 8	Detailed Schedule and Construction Budget.	72
	1. Construction Schedule.	72
	2. Construction Budget	73
Chapter 9	Development Phasing Plan	78





Chapter 10	Market Information	80
Chapter 11	Description of Terms of Real Estate.	83
Chapter 12	Workforce Utilization Plan and Targeted Business Goals.....	84
	1. Targeted Business Goals	84
	2. Full Service Marriott FTE Estimate.....	93
	3. Construction – Workforce Projections	94
Chapter 13	Community Engagement Plan.....	95
Chapter 14	Detailed Public Private Financial Plan.....	97
Chapter 15	Appendix	124
	1. Specifications	124





JOURNEYMAN GROUP JUDGE DOYLE SQUARE – MADISON, WISCONSIN

Journeyman/Marcus Hotels/LZ will unlock the development potential of two City-owned, tax-exempt parcels to significantly expand the City's tax base and employment" "through careful selection of mixed uses that includes a hotel and provides sufficient parking to achieve the desired density."

Program Summary

BLOCK 88	• A 352-key full service Marriott Hotel with restaurant and bar
	• A "250 room block for the Monona Terrace to grow its book business" and "being commensurate with a full service, first class, convention-oriented, upscale hotel to "support and complement Monona Terrace"
	• 18,200 net square feet of function space consisting of a 10,400 square foot Ballroom and 7,800 square feet of breakout meeting space
	• Hotel restaurant and bar will be at street level to accommodate both hotel guests and drop-n-dine patrons
BLOCK 105	• Below grade parking to accommodate the needs of the hotel and City fleet vehicles
	• Retail (~11,680 SF), bicycle center (3,000 SF) and office and residential lobbies at grade fronting Doty, Pinckney and Wilson Streets
	• Approximately 52,190 GSF of Class A office space
	• Approximately 134 residential units
	• Parking shall include approximately 600 spaces of below grade parking to meet the City's need of replacing the current East Garage and 401+ spaces of above grade parking to meet the office and residential needs. Above grade parking will be "concealed" to eliminate pedestrian visibility of vehicles





RFP FORM A


SIGNATURE AFFIDAVIT

Note: This form must be returned with your proposal response.

In signing this proposal, we certify that we have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition; that no attempt has been made to induce any other person or firm to submit or not to submit a proposal; that this proposal has been independently arrived at without collusion with any other proposer competitor or potential competitor; that this proposal has not been knowingly disclosed prior to the opening of proposals to any other proposer or competitor; that the above statement is accurate under penalty of perjury.

The undersigned, submitting this proposal, hereby agrees with all the terms, conditions, and specifications required by the City in this Request for Proposals, and declares that the attached proposal is in conformity therewith, and attests to the truthfulness of all submissions in response to this solicitation.

Proposer shall provide the complete information requested below. Include the legal name of the Proposer and signature of the person(s) legally authorized to bind the Proposer.

Proposal Invalid Without Signature	
SIGNATURE OF PROPOSER 	DATE: September 27, 2013
NAME AND TITLE OF PROPOSER: Harley Blackburn Vice President	COMPANY NAME: Journeyman Group
TELEPHONE: 512-247-7000	ADDRESS: 7701 N. Lamar, Suite 100 Austin, Texas 78752
E-mail Address: hblackburn@journeymangroup.com	
Person to Be Contacted If There Are Questions about Your Proposal (if different from above)	
NAME:	TITLE:
TELEPHONE:	E-mail Address:



RFP REQUIREMENT

The requirements from Section 2 (Project Goals), Section 3 (Project Requirements) and Section 6 (General Conditions) from the Request for Qualifications document are incorporated as RFP requirements.

RESPONSE

We agree with these requirements and have included them in the Project Concept located in Chapter 3.





RFP REQUIREMENT

Madison Municipal Building. As stated in the RFP, the City reiterates in this RFP its desire to maintain the Madison Municipal Building in City ownership primarily for city offices. Proposals must be consistent with this City position. We expect the loading dock area of the building will be removed. If the developer wishes to interconnect the Madison Municipal Building with the new development in some way, the RFP must describe how such a connection would be made and whether there are any proposed shared uses between the two buildings. A connection between the two buildings is desired and the City is supportive of such a connection.

RESPONSE

We agree with the City that the Madison Municipal Building should and will remain city offices if the Journeyman Group is selected as the developer. However, our plans do not currently have a walk thru connection from the Marriott Hotel to the Madison Municipal Building. Our studies and current design do not allow for that connection to be made, although our design does have a connection if there was a need to get from the Madison Municipal Building to the Marriott Hotel by this means of egress thru the loading dock and parking garage leading into the hotel.



Hilton Garden Inn, Milwaukee – Kahler Slater



Hyatt Place – Findorff





RFP REQUIREMENT

A detailed project concept design and general outline specifications. This includes

- Conceptual site and landscape design plans sufficient to convey how the project will generally create an engaging pedestrian environment along all street frontages
- Preliminary architectural direction, including anticipated building massing, architectural expression, a shading study and typical building material to convey the general style of the building and how it will relate to surrounding buildings and positively contribute to the built urban character of the immediate area
- Green building practices to be used during the construction phase
- Preliminary floor plans for all floors sufficient to understand how the building's internal program is expressed on the exterior of the building (N.B. The US Postal Service will require a secure loading dock on Block 88)

- Approximately 52,190 GSF of Class A office space on levels 2 thru 4
- Approximately 134 residential units on levels 5 thru 11;
- Approximately 598 spaces of below grade parking to meet the City's need of replacing the current East Garage
- Approximately 402 spaces of above grade parking to meet the retail, office and residential needs. Above grade parking is "concealed" by the office floors to the west and where "exposed" on the north and south will be clad consistent with the office façade to avoid pedestrian visibility of vehicles.

ECONOMIC DEVELOPMENT

The level of development on these under-utilized blocks, primarily the high quality of the hospitality, retail, office, residential and parking components proposed, represent what we believe to be the highest and best use of the parcels and are certain to:

- "Retain and grow the business of the Monona Terrace Community and Convention Center"
- "Unlock the development potential of two City-owned, tax-exempt parcels to significantly expand the City's tax base and employment"
- Be "consistent with the Project Requirements" found in Section 3 of the RFQ"

PROJECT CONCEPT

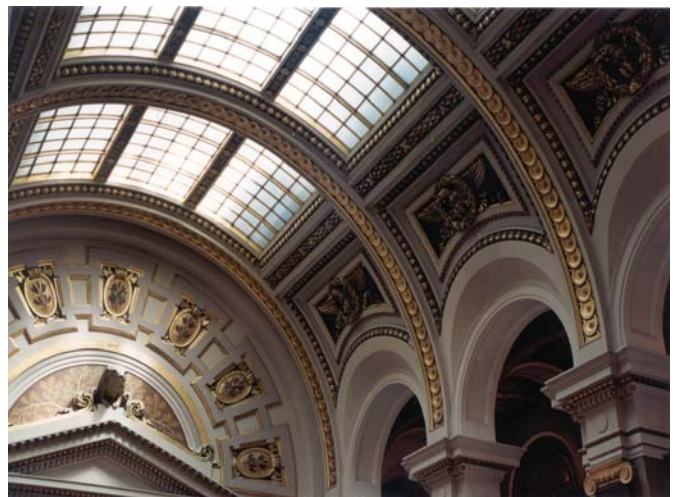
The conceptual site plan, building massing, floor plans, and perspectives included in this section are those we propose for the Judge Doyle Square development. Though, details of our concept are further outlined herein, in summary our concept consists of the following:

BLOCK 88

- A 352 key full-serve hotel Marriott Hotel with the commitment of a 250 key room block
- Below grade parking to accommodate the needs of the hotel and City fleet vehicles

BLOCK 105

- Retail (~11,680 SF), Bicycle Center (~3,000 SF) and Office and Residential Lobbies at grade fronting Doty, Pickney and Wilson Streets





4. “Unlock the development potential of the sites through careful selection of mixed uses that includes a hotel and provides sufficient parking to achieve the desired density”
5. “Increase economic and retail activity from additional convention attendees, visitors, downtown workers and residents”

LAND USE

We propose a mixed-use development as outlined in our Project concept above with the following specifics of further note:

1. One 352 room hotel on Block 88 with a 250 room block committable to support the Monona Terrace Community and Convention Center. This room commitment when combined with the 150 room block at the Hilton enable the Monona Terrace Community and Convention Center to market a 400room block piece of business at one time.
2. The hotel on Block 88 will have a restaurant and a bar at grade fronting Pickney Street. ~11,680 square feet of retail space fronting Doty, Pickney and Wilson Streets on Block 105 to accommodate expected retail and restaurant tenants.
3. A 3,000 SF bicycle center, as further described in Chapter 6, is included and would front Doty Street at grade.



Hilton Monona Terrace – Findorff

4. We have a parking plan for both blocks to support the entire development as defined above with the appropriate level of separation to accommodate the specific needs of the users.
5. Our concept further includes office and commercial spaces and residential housing as encouraged by the RFQ and we have made a “preliminary market analysis” for these uses to “justify the land use mix and density”.

DESIGN AND DENSITY

Our site and massing concept plans represent an exciting urban design with appropriate architectural themes, scale and massing that is compatible with surrounding buildings including historic structures. Our proposed redevelopment is relatively dense, and we believe maximizes the amount of above-grade development given the consideration to the needs of the neighborhood and the substantial public parking requirement.

For Block 88 the use is primarily hospitality related with an on grade restaurant and bar with public access which will comply with the development’s retail mission. For Block 105, we have an ideal mix of street level retail with office and residential above grade. Though our discussions with retail tenants are preliminary, we expect to attract a compatible and complimentary restaurant to those in the neighborhood along with that of the new hotel. With the Block 88 hotel restaurant and bar fronting Pinckney, along with the office lobby and retail of Block 105, we will generate significant activity that will enliven Pinckney Street and create a sense of place. The Judge Doyle Square pedestrian experience will become highly active from the Marriott Hotel fronting and entrances on Wilson, Pinckney and Doty Streets; and sidewalks widths of 15 feet will be maintained at a minimum accordingly. Our design, with its main roof at ~173’ is under the height limits of the City of Madison Capitol View Preservation ordinance.

Our massing concept leverages the potential of Pinckney Street from the Capitol Square to Lake Monona and the streetscape developments proposed will greatly enhance





public spaces. Our building orientations are intended to capitalize on natural views to Lake Monona and achieve connectivity for pedestrians and bicyclists. We will make Judge Doyle Square a destination for residents, employees and visitors by unifying the emerging restaurant and entertainment district in the southeast quadrant of the Square with the Monona Terrace Community and Convention Center. The design of the parking structures proposed will be given greater emphasis later in this Chapter, but will provide a customer-friendly parking experience, optimizing first floor uses, and meet the specific needs of each user.

INTERMODAL CONNECTIVITY

We understand that in March 2013 the City entered into an agreement for the South Capitol Transit Oriented Development District to complete a Planning Study which includes the Judge Doyle Square site. Absent the completion of that Study we are aware that the Madison Metro Capitol Loop passes to our north on Doty Street, and the location of the Bicycle Center fronting Doty and other street amenities will ensure a high quality pedestrian and bicycle connectivity to Madison Metro. The below grade public parking component on Block 105 will have elevator access to all garage levels from pedestrian

street level lobbies on both Doty and Wilson Streets. Connectively to the loop that encircles Capitol Square and passes in front of the MMB on MLK will be improved by our Doty and Wilson streetscape improvements on the east half of Block 88.

We understand the plans for a passenger rail service now appear unlikely, but we do see the potential from the Judge Doyle Square density and adjacent Hilton Monona Terrace and Block 89 developments, will warrant consideration in future studies and plans.

HOTEL

A description of the type of hotel product to be developed are identified above and further herein and will include one full-serve hotel with below grade parking to accommodate the need of the hotel and City fleet vehicles. The hotel we propose:

- Is within “easy walking distance of the Monona Terrace Community and Convention Center”
- Will provide “an additional 250 room block for the Monona Terrace to grow its book business”
- Will provide “hotel facilities that support and complement Monona Terrace”, with such facilities we





propose being commensurate with a full service, first class, convention-oriented, upscale hotel operating under a Marriott brand.

- Address unmet opportunities for capturing the group, commercial and leisure travel sectors.

Our current plans for the amount of meeting space will include a 10,400 square foot Ballroom and 7,800 square feet of flexible breakout space. We believe this amount and allocation of space will be ideal to address convention and conference needs and complement, more than compete with Monona Terrace; and we agree **“most significant need is for additional break-out meeting rooms”** as stated in the RFQ and further analysis of the Monona Terrace program. The meeting space as proposed will compliment and address a need of the Hilton Monona Terrace and with the common management by Marcus of both hotels will allow the City to more seamlessly market events requiring the combined room block of both hotels for a total of 400 rooms.

Adding these additional rooms with great proximity to the Convention Center will enhance the Convention Center’s ability to capture more and larger group demand. The combination of new first class rooms, the ability of the meeting planners to leverage the premier Marriott brand and the direct access to the Convention Center will certainly enhance the Convention Center capture for these attractive larger events. Regarding corporate demand, these additional rooms will better support the strong typical weekday demand coming from the existing area corporations. This dynamic is evidenced by the strong weekday demand that the Hilton and the recently opened Hyatt Place currently enjoy. Leisure demand is also expected to increase given the additional proximate rooms to the Convention Center. Monona Terrace has been an attractive venue for area weddings, galas, fund raisers and other related social venues over the years.

By combining the 150 rooms at the Hilton and the 250 rooms with this planned hotel, Monona Terrace will be given the needed tools to book larger groups throughout the peak periods of demand, while the slower shoulder season and off peak season should be reduced.

A summary of the proposed hotel program is in the following table:

Description	Proposed
Guest Room	352
Grand Ballroom	10,400 sf
Meeting Rooms	7 (ea) 7,800 sf
Board Room	(1 ea) 400 sf
Concierge Lounge	(1 ea) 1,080 sf
Parking	235 spaces
3-Meal Restaurant	80 seats
Lobby Lounge/Bar	40 seats
Coffee Bar	20 seats
Fitness	Yes
Indoor Pool	Yes
Concierge Desk	Yes
Business Center	Yes
Extended Hours Room Service	Yes
High Speed Internet (WiFi)	Yes

Our program is based on our interpretation of the City’s needs along with the considerable experience and knowledge of Journeyman Group and Marcus Hotels & Resorts of the national and local hospitality market.

OUR PROPOSED PROGRAM

- The amount of planned function space allows the hotel to induce its own in-house meetings business when the CVB or Monona Terrace is not generating business for the hotel. It also provides an offsite meeting package for convention planners that may want to host board meetings or other side meetings during conventions while leaving Monona Terrace for the business market its size is designed to accommodate.
- One three-meal restaurant and bar is included within the hotel that we expect to stimulate opportunities for other restaurateurs as tenants in Block 105, and further supports other businesses in the neighborhood.
- An indoor pool and fitness center, business center and room service are included within the hotel program.

It is expected that the hotel will be flagged as a full-service Marriott. The hotel will benefit from a national





affiliation and the national sales force and reservation system for the hotel use.

The 235 space parking program for hotel use reflects a ratio of nearly 0.70 spaces per key which is fairly common for urban hotels and is what Marcus Hotels believes can be efficiently utilized. Given the high costs of below grade parking we have opted to use this ratio as surplus parking (“too much”) could become a financial burden to hotel operations.

We are aware that in 1999 a development right to Marcus Hotels, Inc. was granted by the City for Block 88 and in response we have entered into an agreement with Marcus Hotels to become our financial and operations partner for the development of the Block 88 hotel. Should Journeyman and Marcus not be able to reach final terms in the future, we understand we will have the obligation to negotiate exclusively with Marcus for operation and management of the hotel component of the project, in compliance with the terms of the City’s Agreement with Marcus.

SKYWALK

We have conducted initial studies and believe a skywalk between the Hilton and the proposed Marriott remains the most financially feasible method if such a connection is found to be a need, but even with this given the total distance to Monona Terrace and vertical transfer hurdles, may not be utilized except for the most inclement weather conditions. **For this reason the skywalk costs have not been included within our estimates presented in Chapter 14 of this response.** At this time we believe it is more prudent to rely on the sidewalk systems for all but the largest events. We suggest a mid-block pedestrian crossing Wilson Street to the Hilton for a more direct access route to the existing pedestrian bridge to Monona Terrace. It may be worth further considering a shuttle to and from the hotels and Monona Terrace during large events.

RESIDENTIAL

The residential proposed on Block 105 is a significant part of our mixed-use plans and will attract additional residents to the central business district, not only

increasing the vitality of the area but also specifically that of Judge Doyle Square. Our residents will further attract additional services to support our residents and others downtown.

Our residential plans include a total of 134 efficiency, one bedroom, and two bedroom units ranging in size from 575 to 1,450 net square feet. The residential component will include 201 allocated spaces within the Block 105 above grade parking component that will be addressed further in the Parking section of this Chapter. The residential program will further include fitness, lounge, outdoor pool, and terrace amenities at the 5th level that will be shared with the office tenants. Anticipated rental rates have yet to be determined, but the expected range of \$1.80 to \$1.90 per square foot is anticipated which is consistent with that of other comparable quality residential communities.

OFFICE, RETAIL, RESTAURANT AND ENTERTAINMENT

Our Block 105 program currently includes 52,190 gross square feet of Class A office space on levels 2 thru 5 and 11,680 square feet of retail space fronting Wilson, Pickney and Doty Streets. The inclusions will **“stretch the downtown retail/business district from the Capitol Square and King Street toward the Monona Terrace and Wilson Street and activate the street levels for pedestrians and bicyclists on Doty, Wilson, and Pinckney Streets”** and **“draw residents and visitors to an eclectic mix of retail and restaurants that engage the sidewalk with activity to enhance the destination quality of the southeast area of the Capitol Square.”**

The office component will be somewhat unique in how its supporting parking will be delivered. Though this will be discussed further in the parking section, we have programmed the retail, office and residential parking to be above grade. This will allow office tenants more direct access their space from the garage without the vertical transport inefficiency common in most urban office developments. Further details of this approach, which we believe is a significant benefit to its marketability, is reflected in our Concept Drawings. The level of street





level retail though restricted by the efficiency needs of the parking to be delivered, along with the space that is allocated for the Bicycle Center component, is considered appropriate and absorbable by the market for the uses and scale of our proposed Judge Doyle Square development. Anticipated lease rates and terms for both office and retail space are included within the Sealed Submission Financial Plan included with this RFP response. We have had some preliminary discussions with potential tenants and are confident this space will be rapidly absorbed at the market rates proposed. To accommodate the demand created by our retail and office use we have allocated 201 parking spaces in our program which is based on 1 space per 350 gross square feet of office and 1 space per 250 gross square feet of retail.

BICYCLES

As stated above we have currently allocated 3,000 square feet of street level space fronting Doty Street for a sustainable, secure bicycle center that meets the needs of both the current bicycling community and the new cyclist. The Center will present itself as retail space allowing it to be **“architecturally integrated into the project”**. We expect this center will **“promote and enhance the utilization of bicycles as a viable mode of transportation”**, and further believe it will be a highly desired amenity to our office and residential tenants. Though this Center is expected to front Doty Street, its proposed location is 36’ from the corner of Pickney Street, making it highly visible and enhancing Pinckney Street as an important connection for bicyclists and pedestrians. We understand that the City’s involvement in the Bicycle Center will be limited to at most the front-end/capital costs, and we expect to provide operation details for this Center as a part of our RFP response that doesn’t require ongoing City financial assistance. We propose that Trek Bicycles will operated the proposed bicycle center at Judge Doyle Square.

PARKING

We believe our parking approach for Judge Doyle Square achieves the goals of achieving an affordable cost to the Parking Utility and its customers, and provide a customer-friendly parking experience. As these parking elements will also serve as support elements for the hotel, retail, office and residential developments above the City can be assured that the Project and its parking elements will have a **“75+ year horizon life cycle”**, and will be **“affordable”**. Our preliminary plans for Blocks 88 and 105 provide a total of 1,275 parking stalls. For this reason our preliminary parking program is reflected in the following table.

BLOCK 88			
Parking Allocation	Levels	Spaces	Garage Area
Hotel Parking	B1 to B4	235	92,547
City Parking	B1	40	15,753
Block 88 Subtotal		275	108,300

BLOCK 105			
Parking Allocation	Levels	Spaces	Garage Area
City Public Parking	1 to B4	598	209,668
Retail Parking	1	56	19,600
Office Parking	P1.5 to P2	145	50,750
Residential Parking	P2 to P4	201	70,350
Block 105 Subtotal		1,000	350,368
Project Parking Totals		1,275	464,608

We believe the parking for the proposed mixed-use development can be delivered at a lower costs and better service the needs of its users by a plan that isolates the parking as much as possible to meet the specific security and access needs of each use as outlined above. We understand that the City prefers the parking for the development be placed under ground, but to meet the needs of the specific users ,above grade parking to serve the residential and office needs will best serve the Development and City Public Parking components. We will make certain that the above ground parking will





be visually appealing as viewed from the sidewalk and adjacent structures, and we further believe this above grade mass contributes to the developments urban scale.

We understand the City's preference to phase or develop the Block 88 parking prior to demolition of the existing Block 105 garage, however, we believe that phased, rather than concurrent development of the Blocks could jeopardize financial feasibility of the Project. Though we recognize concurrent development will cause public inconvenience for a period of 12 to 15 months, the financial benefits and "certainties" warrant this approach.

The current needs for security in parking areas are heightened due to the fact that the garages will support the occupied structures above. The Parking Utility's #1 customer concern is shared by our users as the greatest security risk to hotel guests, office tenants and residents is most commonly in garage areas. Though the specifics of security elements are yet to be defined, at minimum provisions that will include video surveillance and higher lighting levels.

Measures to address the issues of customer queuing time are addressed in our preliminary study prepared by Walker Parking Consultants which is included in Chapter 5. The Public Parking elements have points of ingress/egress on both Doty and Wilson Streets and are being isolated to the greatest degree from the office and residential users. As previously stated in our RFQ response the queuing needs during special events can be accommodated, as they are likely no greater than that of the daily peak hour exit times. With our Block 105 Doty and Wilson access points located at the eastern extent of the development, this should best accommodate street capacities and conditions and provide a good parking experience with particular attention paid to entry/exit efficiency. We anticipate we will comply and concur with the requirements of the RFQ to have "a 3-way entry/exit on Wilson Street at Block 105, a minimum of one entrance and one exit lane on Wilson Street at Block 88, a minimum of one entrance lane and one exit lane on Doty Street at Block 105, and a minimum of one entrance and one exit lane on Doty Street at Block

88", and no entries to either the Block 88 or Block 105 garages from Pinckney Street.

Our parking solution will build an adequate supply (not too much or too little) of parking at an affordable rate for the Parking Utility and its customers, but no more than necessary while remaining out of the permanent water table (both due to costs) in order to support the potential multiple uses for above grade development (i.e. public, city fleet, hotel, residential and office). We will include and employ revenue systems that provide choices of a variety of payment options for customers in order to provide both a safe and efficient entry/exit and payment process, including special events.



Hilton Garden Inn, Milwaukee – Kahler Slater





MADISON MUNICIPAL BUILDING (MMB)

From our preliminary analysis we agree with the City's current position to maintain the MMB as city offices and thus have no plans to utilize the MMB for some other purpose. As expected, the loading dock area of MMB will be removed, and there will be a shared loading area with an access drive between the MMB and the Block 88 development.

Though the extent of our proposed development will extend from the east of our “zero lot line” with the MMB, we have interest in seeing the existing structure remain as a vital element. We understand that the “City is currently conducting a schematic design study for the renovation of the MMB for City offices”, and that the “MMB is on the National Register of Historic Places and is a City of Madison designated landmark”. Accordingly, our preliminary Block 88 plans are sensitive to the context of this National Register building. Further studies for connections from our Block 88 developments to the MMB will be made in the future including the potential of shared use of meeting rooms/spaces.

As stated above, we again do agree that the MMB should remain as City offices, and further we do have an interest in performing the renovation of the MMB if possible to be concurrent with the Judge Doyle Square's Redevelopment, and do have some thoughts on how this might be feasibly achieved. We believe an option to be considered would be for the City to form a MMB public/private partnership which could allow for the renovation of the MMB building.

DEAL POINTS

- City to lease building to Journeyman Group for a period of 40 years for 1 dollar per year.
- Journeyman to fund the renovation
- City to vacate MMB and lease office space in Block 105 for 24 months until MMB renovation is complete and then relocate to MMB.

- City will pay rent in the amount of \$17.77 per square foot plus NNN as soon as office space in Block 105 is ready for occupancy
- No property tax shall be payable since city is the end user

The MMB renovation is an alternate to the City in the development of Judge Doyle Square. Our base proposal is not contingent on this alternate.

See Chapter 14, for a detailed financial explanation of the Alternate Proposal.



Madison Municipal Building





DESIGN NARRATIVE

OVERVIEW

This proposal for Judge Doyle Square is envisioned as an exciting live, work, play urban destination. The two-block development represents an exciting urban design with appropriate architectural themes, scale and massing that is compatible with surrounding buildings including historic structures. The density of the proposed redevelopment maximizes the amount of above-grade development given the consideration of the needs of the neighborhood and substantial public parking element.

BLOCK 88

The use of Block 88 is exclusively hospitality with a full-service hotel. The ground floor comprises the lobby, restaurant/s, bar and other public spaces, while required back-of-house spaces, parking access and loading dock (including a dedicated dock for the MMB) are internalized to the greatest extent possible. The second floor of the hotel is dedicated to meeting space which features a grand ballroom. The 3rd through the 11th floors are the guest room floors wrapping around the ballroom and fronting Pinckney & Wilson Streets in an L-shaped tower configuration. The fitness center and pool is on the 3rd floor and the executive suites and concierge lounge are on the 11th floor. There are multiple levels of underground parking to support the guest's needs for parking and accommodate the requisite city fleet vehicles associated with the Madison Municipal Building.

BLOCK 105

Block 105 is truly a mixed-use development. There are four levels of underground public parking to replace the Government East Parking Structure. Moving upward, the ground floor is comprised of apartment lobbies on both Doty and Wilson Streets. Also on the ground floor, there is an office lobby on Pinckney Street flanked by retail spaces to fill out the balance of Pinckney Street, including prominent locations on both corners. A bike center is planned for the ground level on Doty Street, as is the public parking elevator lobby. Class A office space fronts Pinckney Streets and obscures the office and

apartment parking trays which run from Doty to Wilson Street. The 5th floor caps the podium of the block and two apartment buildings – one fronting Pinckney and one fronting Doty Street rise from this level in an L-shaped configuration up to the 11th floor. The balance of the 5th floor is an amenity deck for the office and apartment tenants. The amenity deck includes food plot gardens, outdoor kitchen, swimming pools, terraces, landscaped berms and a fire pit.

The building's architecture takes cues from art-deco design, as seen in the nearby State Office Building, Hovde Building, and The Tenney Building. The design of the building façade intends to create neighborhood identity while providing a rich pedestrian environment. Distinctive architectural features and granite base add visual interest. Overhead architectural features denote building entrances.

MASSING

Our massing concept leverages the potential of Pinckney Street from the Capitol Square to Lake Monona. The streetscape developments proposed will greatly enhance public spaces, and our building orientations are intended to capitalize on natural views to the Capitol Building and the Lakes. Both blocks rise up several floors and are set back at portions. This minimizes the canyon effect while maintaining the urban edge. Both the apartments and hotel terrace are back at the upper level/s to create outdoor space and an interesting profile on the skyline. Our design, with its main roof at ~173' is under the height limits of the City of Madison Capitol View Preservation ordinance. There may be minimal mechanical penthouses and elevator overruns that project above this limit.

BUILDING MATERIALS & EXPRESSION

The architectural expression and materials of Blocks 88 and 105 are timeless and lasting in nature. Both blocks are clad in a combination of brick masonry, aluminum, glass and stone. Brick and stone cladding have a neutral palette of earth tones while the metal is darker in nature to provide contrast. Blocks 88 and 105 have similar and complementary palettes that vary slightly as each building





has its own identity in order to create a richness in the urban environment.

Block 88 has a contemporary composition for a full-service hotel. The L-shaped tower wings are anchored by a strong corner element, giving a sense of permanence. The corner element balances solid and void with a glass window bay that projects from an anchored mass and is capped with a translucent glazing lantern which creates civic identity and a signature feature for the project. The wings of the hotel guest rooms have a layered composition of large windows within a varied expression of brick. The first floor has large windows allowing an indoor-outdoor connection and help create an exciting streetscape.

The design of the Block 105 building intends to strengthen the downtown neighborhood environment while providing a rich pedestrian environment. The distinctive architectural design is a contemporary interpretation of the art-deco designs indicative of downtown Madison. The building facades are finely detailed with metal, stone and brick. Linear forms, stepped pillars and expansive glazing stretch vertically towards the sky. Windows are framed with aluminum and flow with the exterior of the structure, occasionally wrapping around the building corners. The upright fenestration continues through the parking level facades, consisting of a vertical metal detailing over the buildings openings.

The first floor of Block 105 is predominantly devoted to commercial use, incorporating pedestrian level window displays that activate the streetscape. The building's retail, office, and residential entrances are clearly expressed and add to the street vitality. The upper levels of the building are broken into two masses giving the perception and function of separate buildings that are scaled to integrate within the fabric of the downtown.

PEDESTRIAN EXPERIENCE

The Judge Doyle Square pedestrian experience features Pinckney Street as a major pedestrian connection per the Downtown Plan. It is fronted with hotel restaurant and bar spaces on Block 88 and destination retail and office lobby on Block 105. As Pinckney Street slopes upward

from Wilson to Doty, generous width sidewalks with interesting paving patterns will be maintained, while trees and planting beds create a buffer at the edge between the pedestrian and automobile traffic. Decorative street lighting, bike racks, outdoor dining areas and other site furnishings support an engaging pedestrian environment.

Wilson Street and Doty Street are considered thoroughfares in the Downtown Plan—yet in this plan the pedestrian experience is not compromised. The primary entry for the hotel on Block 88 fronts Wilson Street which will generate a lot of pedestrian activity. The porte-cochere is recessed under the building footprint, minimizing its visual impact and screening the cars at the drop-off. The uses and planning of the blocks will generate significant activity that will help enliven Pinckney Street and create a sense of place. We will make Judge Doyle Square a destination for residents, employees and visitors by unifying the emerging restaurant and entertainment district in the southeast quadrant of the Square with the Monona Terrace Community and Convention Center.

PARKING STRUCTURE

The design of the parking structure proposed will be given greater emphasis later in this Chapter, but will provide a customer-friendly parking experience, optimizing first floor uses, and meet the specific needs of each user. The parking structure is not visible on Pinckney Street since it is fronted with office space. It is also entirely screened on the southeast façade as it is on a shared property line. On this shared property line, the façade will be treated with high quality materials consistent with the balance of the building plus the addition of greenery on trellises overlaid on the opaque façade. The Doty and Wilson Street facades of the parking structure have been designed to look like an integrated solution with the balance of the Block 105 design. The openings are infilled with a combination of glass, trellis framing and louvers as required for ventilation.





CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



CONTEXT SITE PLAN

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CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



AERIAL RENDERING

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CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



BLOCK 88 DESIGN FEATURES

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CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



BLOCK 105 DESIGN FEATURES

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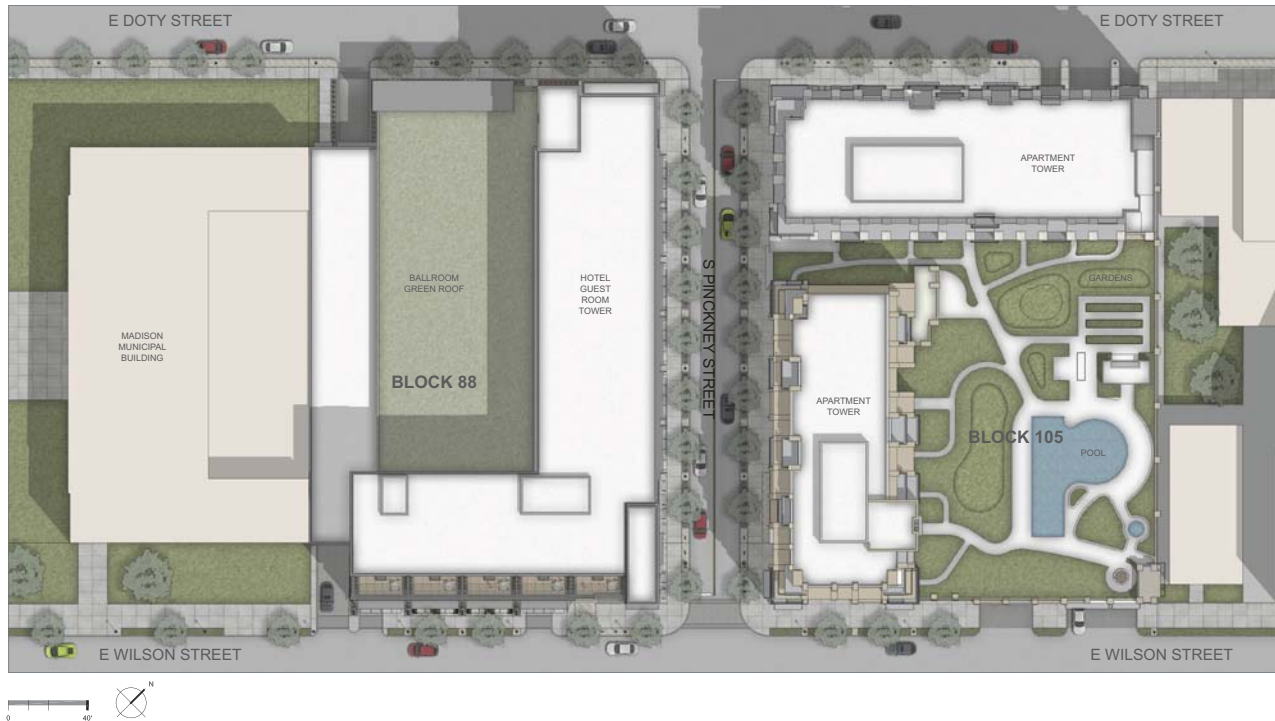
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CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



SITE PLAN

RFP SUBMISSION | 09-30-2013 | PAGE 05

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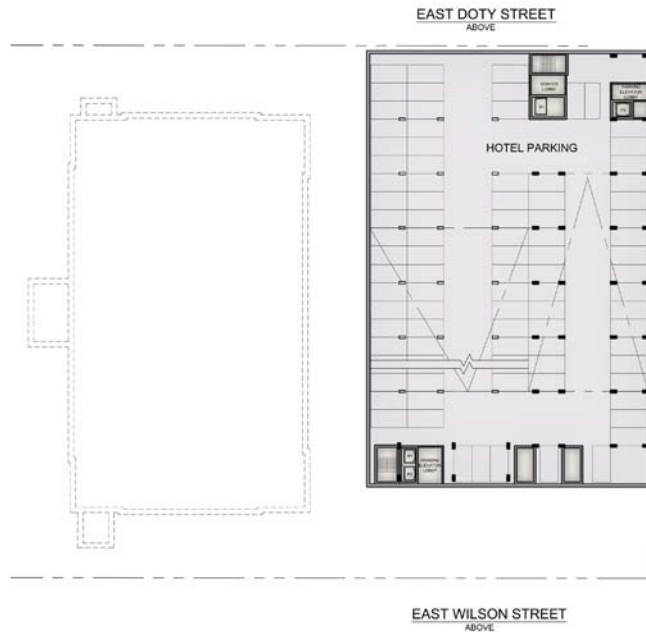
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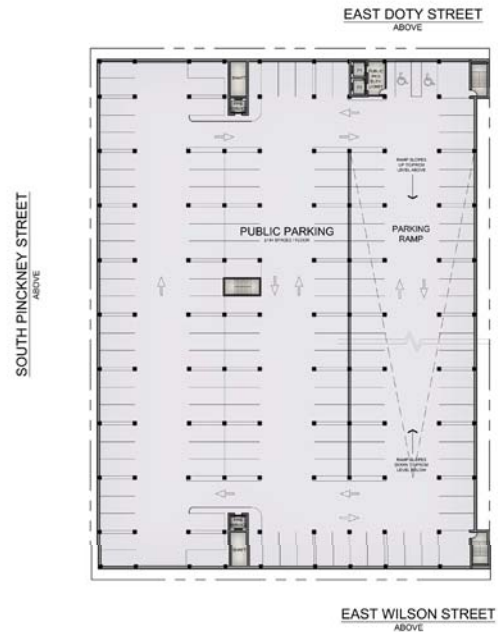


CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



BLOCK 88: B2-B3 PLAN (B4 IS SIMILAR)



BLOCK 105: B2-B3 PLAN (B4 IS SIMILAR)

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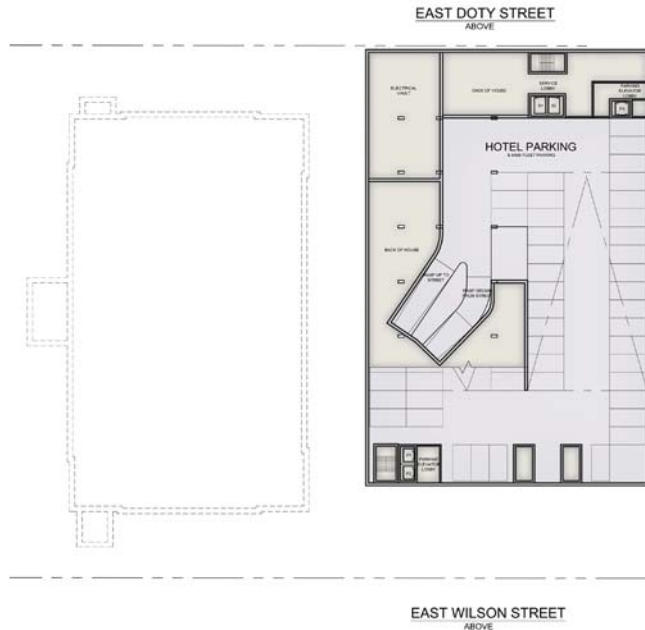
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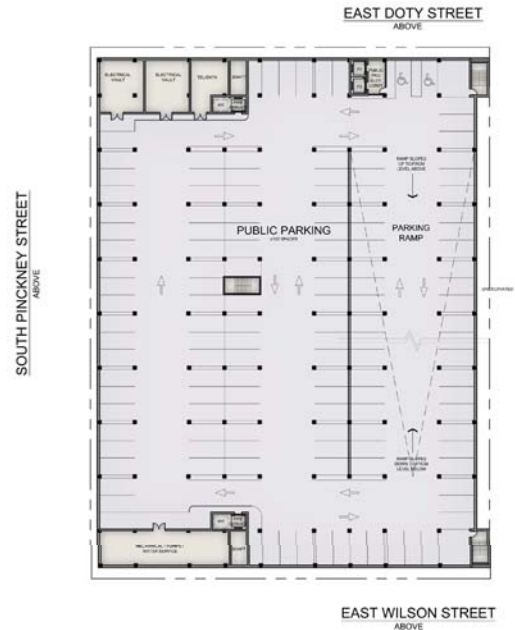
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3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



BLOCK 88: B1 PLAN

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BLOCK 105: B1 PLAN

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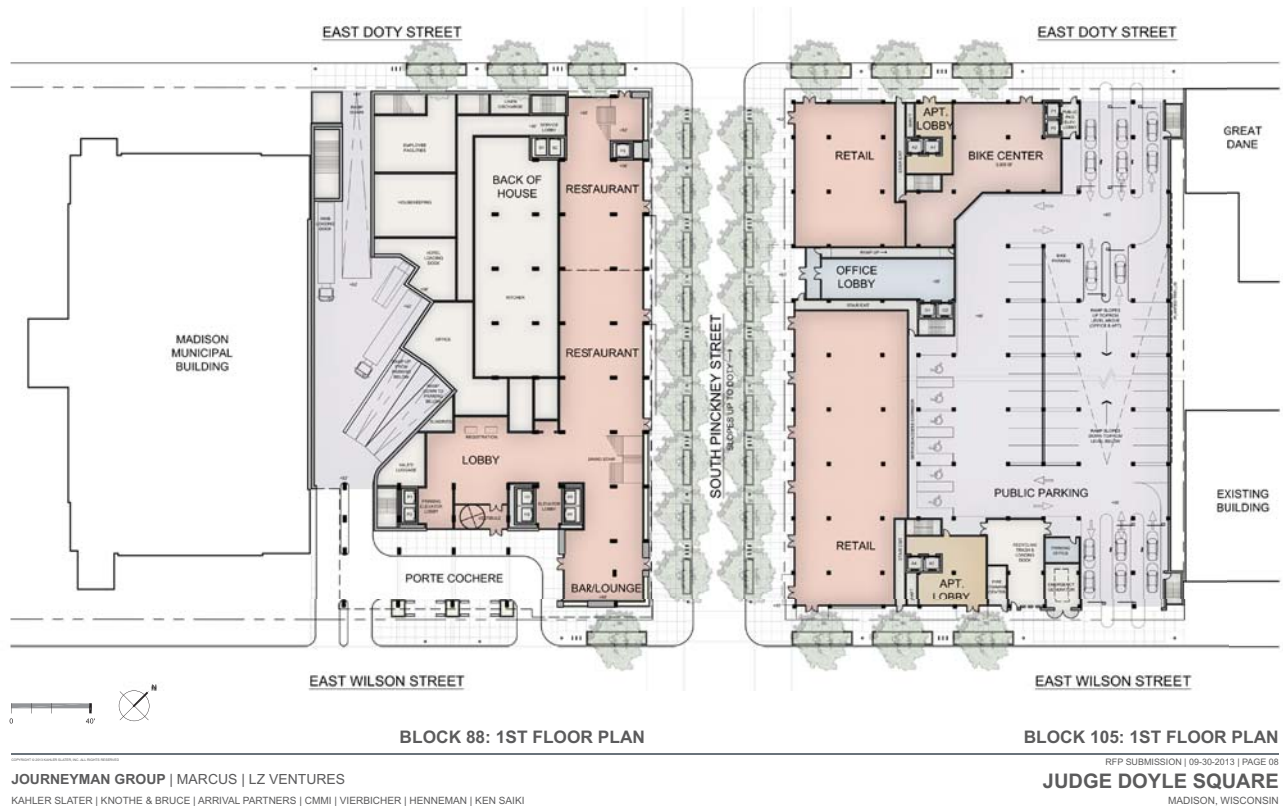
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CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



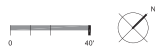
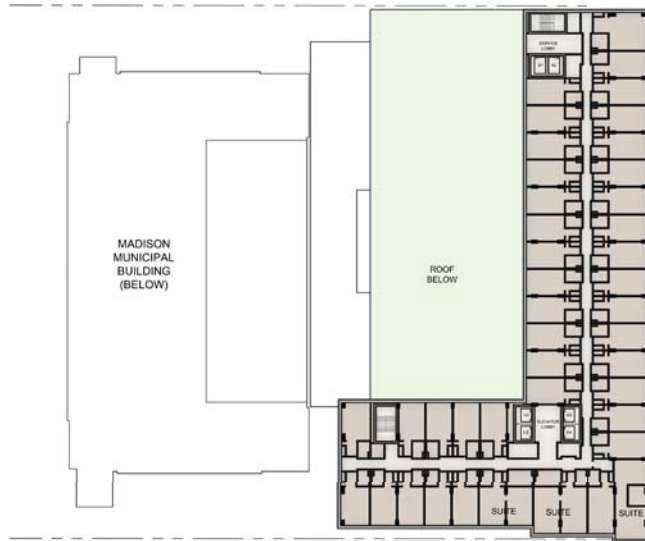
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CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



BLOCK 88: 5TH-10TH FLOOR PLAN



BLOCK 105: 6TH-9TH FLOOR PLAN

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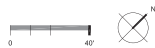
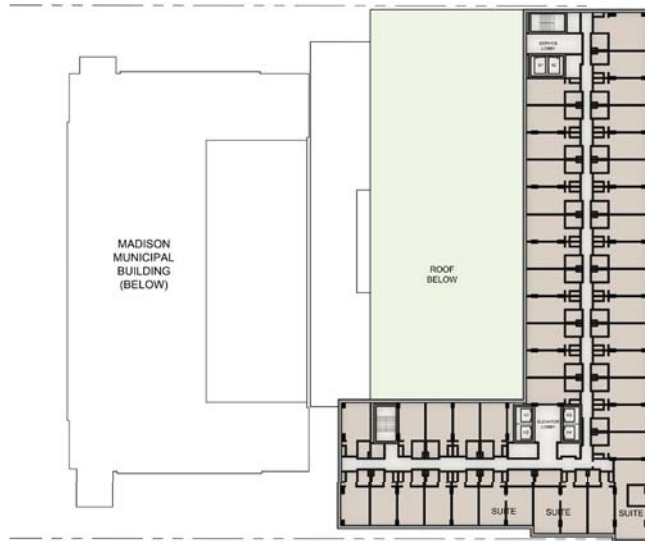
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CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



BLOCK 88: 5TH-10TH FLOOR PLAN



BLOCK 105: 6TH-9TH FLOOR PLAN

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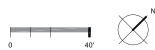
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CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



BLOCK 88: 5TH-10TH FLOOR PLAN

BLOCK 105: 6TH-9TH FLOOR PLAN

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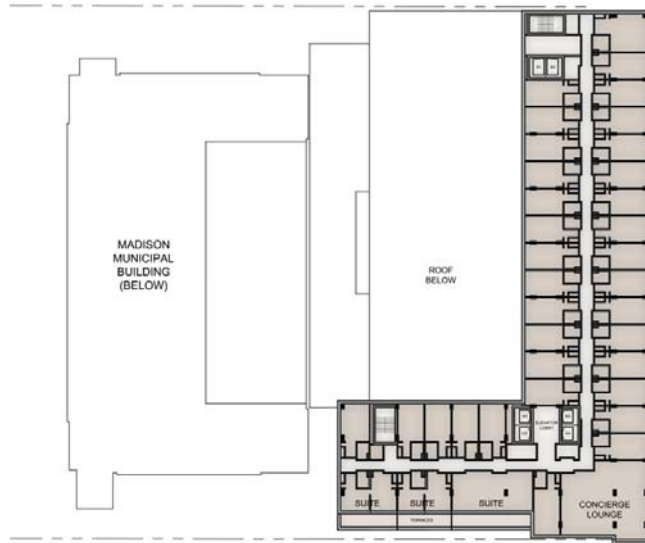
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CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



BLOCK 88: 11TH FLOOR PLAN



BLOCK 105: 10TH-11TH FLOOR PLAN

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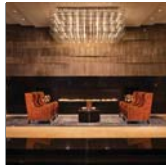
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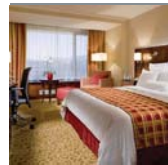
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HOTEL LOBBY



HOTEL BAR / LOUNGE



HOTEL GUESTROOM



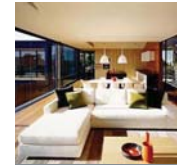
HOTEL BALLROOM



RETAIL / DINING

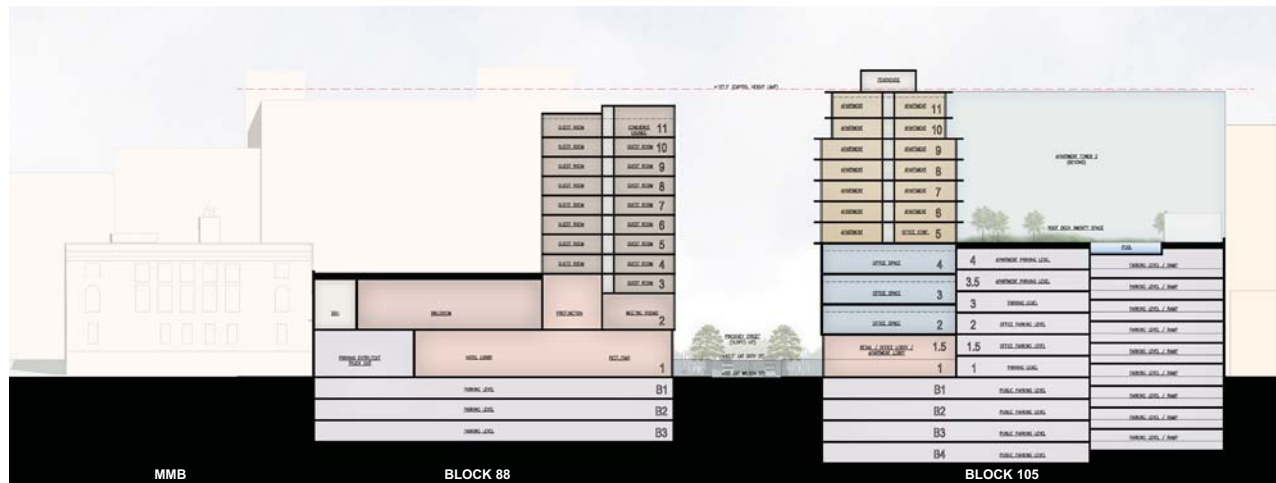


OFFICE



APARTMENTS

MOOD IMAGERY



SITE SECTION LOOKING UP PINE STREET

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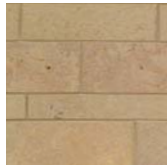
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CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



STONE 1



STONE 2



BRICK 1



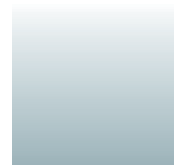
BRICK 2



BRICK 3



METAL 1



GLASS 1

MATERIAL PALETTE



BLOCK 88

BLOCK 105

WILSON STREET ELEVATIONS

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CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



PINCKNEY STREET ELEVATIONS



DOTY STREET ELEVATIONS

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CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



SHADING STUDY

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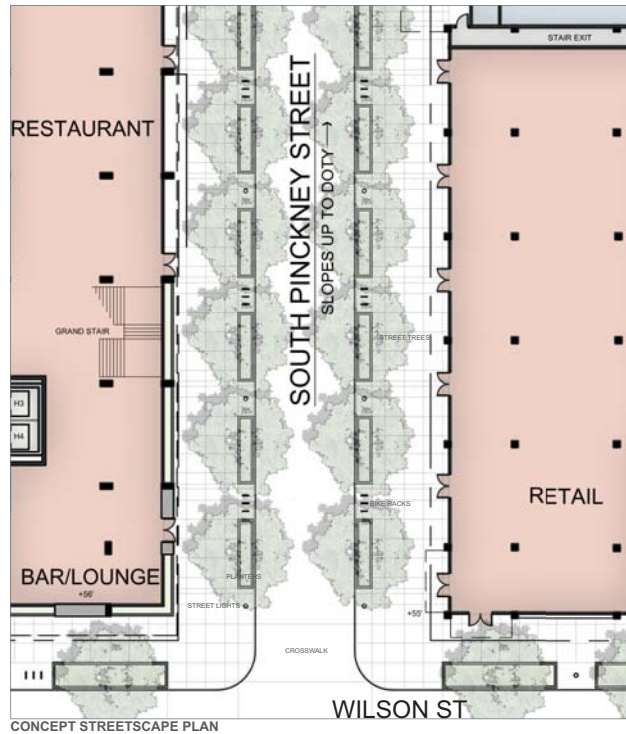
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3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



CONCEPT STREETScape PLAN

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BICYCLE RENTALS



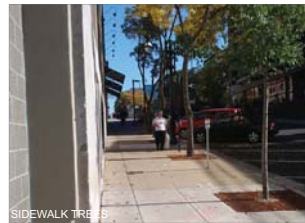
BICYCLE RACKS



STREET FURNITURE



PEDESTRIAN SCALE LIGHTING



SIDEWALK TREES



SIDEWALK PLANTERS

STREETScape DESIGN

RFP SUBMISSION | 09-30-2013 | PAGE 17

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CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



STREETSCAPE DESIGN

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RFP SUBMISSION | 09-30-2013 | PAGE 18

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CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

3. Conceptual Site Plans and Renderings – Preliminary Architectural Direction



STREETSCAPE PERSPECTIVE

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ARRIVAL Partners

Area Analysis

Judge Doyle Square
Madison, Wisconsin
September 6, 2013

Floor	Elev.	F to F	Description	Hotel		Parking/Driveways		Total
				Keys	Area	Spaces	Area	Area
P4	16.00	10.00	Parking	-	-	48	13,200	13,200
P3	26.00	10.00	Parking	-	-	90	30,800	30,800
P2	36.00	10.00	Parking	-	-	90	30,800	30,800
P1	46.00	10.00	Parking, BOH, MEP	-	6,100	47	21,100	27,200
1	56.00	18.00	Lobby, Restaurant	-	30,800	-	12,400	43,200
2	74.00	18.00	Ballroom, Mtg. Rooms	-	42,000	-	-	42,000
3	92.00	11.00	Guestrooms, Fitness, Pool	19	22,400	-	-	22,400
4	103.00	9.00	Guestrooms	42	22,600	-	-	22,600
5	112.00	9.00	Guestrooms	42	22,600	-	-	22,600
6	121.00	9.00	Guestrooms	42	22,600	-	-	22,600
7	130.00	9.00	Guestrooms	42	22,600	-	-	22,600
8	139.00	9.00	Guestrooms	42	22,600	-	-	22,600
9	148.00	9.00	Guestrooms	42	22,600	-	-	22,600
10	157.00	9.00	Guestrooms	42	22,600	-	-	22,600
11	166.00	11.00	Guestrooms, Concierge Lounge	39	22,600	-	-	22,600
P	177.00		Penthouse/Roof					
Totals				352	282,100	275	108,300	390,400

Summary	
Total Hotel Keys	352 keys
Hotel Gross Area	282,100 gsf
Hotel Gross Area per Key	801 gsf/key
Covered Drive: Porte Cochere/Loading	12,400 gsf
Parking Area: P1 thru P4	95,900 gsf
Parking Spaces	275 spaces
Gross Area per Space	349 gsf/space
Total Gross Building Area	390,400 gsf

Meeting Space Summary		
Ballroom 2A	10,400	nsf
Meeting Room 2B	1,500	nsf
Meeting Room 2C	1,500	nsf
Meeting Room 2D	1,200	nsf
Meeting Room 2E	900	nsf
Meeting Room 2F	900	nsf
Meeting Room 2G	900	nsf
Meeting Room 2H	900	nsf
Boardroom	400	nsf
Total Meeting Space	18,600	nsf
Meeting Space per Key	53	nsf/key



SUSTAINABLE FEATURES

The development is designed as an intelligent sustainable building. A LEED certification is targeted and the development will be designed with USGBC's LEED as a basis (see attached LEED Checklist). This will include such strategies as exceeding the latest energy codes by utilizing a high-performance, well-insulated building enclosure system, combined with efficient mechanical systems. Recycled content, sustainable transportation initiatives (biking amenities, charging stations, etc.) and consideration for local and regional materials will all be considered in the design. Water saving fixtures and low-VOC material selections are also a high priority in the design. A more detailed breakout follows:

Sustainable Sites

Development in the city's central business district is a very sustainable approach to construction. The Judge Doyle Square project can leverage neighborhood services and amenities and existing public transportation systems. Alternative transportation is promoted through the use of dedicated hybrid car parking, charging stations and the incorporation of a bike center as well as ample places for bike storage.

The project will not contribute to the urban heat island through its incorporation of cool white roofs and planted

green roofs. The green roofs will also minimize the need for stormwater management plus provide a great amenity for tenants, guest and residents of the project.

Water Efficiency

The project will incorporate water saving features and fixtures such as water closets, urinals, lavatory faucets, showers, and kitchen sinks. Water efficient landscaping will be incorporated through the use of native species, drought tolerant plants and collected rainwater which can be used for irrigation when required.

Energy & Atmosphere

The project has a goal to exceed the latest energy codes. This will be accomplished by utilizing energy efficient equipment and selecting systems that are tailored to their use. The apartments will be heated and cooled by a water-source heat pump system that allows for the transfer of heat between spaces needing to reject heat to spaces needing heat rather than expending additional energy.

Office and retail spaces will contain variable air volume systems that conserve fan energy. Not only do these systems conserve energy, but they are optimized for tenant use.





5. Sustainable Features

The hotel will incorporate many energy conserving features such as:

- Chillers and chilled water/hot water heating pumps will have variable frequency drives on the motors.
- Chiller condenser heat recovery for heating domestic hot water and/or reheat water.
- Chilled water system water side economizer to reduce the amount the chillers operate during the spring and fall months.
- Coolers and freezers will be connected to a closed circuit cooling tower to reject heat more efficiently than conventional air-cooled condensers.
- Condensate recovery system that pipes air handling unit and fan coil condensate to the cooling tower, saving water.
- Hot water boilers will be 90% efficient.
- Swimming pool dehumidification system that rejects heat back to the pool.
- Use of dedicated outside air units incorporating heat recovery of exhaust air energy.

Interior lighting strategies will utilize high efficiency luminaries. Interior spaces will be provided with manual multi-level control and occupancy sensors as appropriate, which will allow occupants to adjust the illumination level to meet their needs, based upon the task and the amount of daylighting within the space. Common area spaces such as corridors, restaurants, and offices will utilize daylight photosensors to automatically reduce the electric lighting based upon the availability of daylighting within the space.

Materials & Resources


The project will obtain 10-20% of the building materials that are extracted, harvested, and manufactured within 500 miles of Madison. Some examples of this include brick, stone, wood and concrete. To the greatest practical extent possible, the design team will select materials which contain a high degree of recycled content. The contractor will implement a program to limit construction waste.





CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

6. Draft LEED Checklist – Block 88



LEED 2009 for New Construction and Major Renovation Project Scorecard

Project Name: Judge Doyle Square
Project Address: Madison, Wisconsin

Yes	?	No		
20		6	SUSTAINABLE SITES	26 Points
Y			Prereq 1 Construction Activity Pollution Prevention	Required
1			Credit 1 Site Selection	1
5			Credit 2 Development Density and Community Connectivity	5
6		12	Credit 3 Brownfield Redevelopment	1
6			Credit 4.1 Alternative Transportation - Public Transportation Access	6
1			Credit 4.2 Alternative Transportation - Bicycle Storage and Changing Rooms	1
3			Credit 4.3 Alternative Transportation - Low-Emitting and Fuel-Efficient Vehicles	3
6		2	Credit 4.4 Alternative Transportation - Parking Capacity	2
5		1	Credit 5.1 Site Development - Protect or Restore Habitat	1
5		1	Credit 5.2 Site Development - Maximize Open Space	1
1			Credit 6.1 Stormwater Design - Quantity Control	1
1			Credit 6.2 Stormwater Design - Quality Control	1
1			Credit 7.1 Heat Island Effect - Nonroof	1
1			Credit 7.2 Heat Island Effect - Roof	1
1		1	Credit 8 Light Pollution Reduction	1
5		2	WATER EFFICIENCY	10 Points
Y			Prereq 1 Water Use Reduction	Required
2			Credit 1 Water Efficient Landscaping	2 to 4
2			Reduce by 50%	2
4			No Potable Water Use or Irrigation	4
3		2	Credit 2 Innovative Wastewater Technologies	2
3			Credit 3 Water Use Reduction	2 to 4
2			Reduce by 30%	2
3			Reduce by 35%	3
4			Reduce by 40%	4
2		11	ENERGY & ATMOSPHERE	35 Points
Y			Prereq 1 Fundamental Commissioning of Building Energy Systems	Required
Y			Prereq 2 Minimum Energy Performance	Required
Y			Prereq 3 Fundamental Refrigerant Management	Required
2		19	Credit 1 Optimize Energy Performance	1 to 19
2			Improve by 12% for New Buildings or 8% for Existing Building Renovations	1
2			Improve by 14% for New Buildings or 10% for Existing Building Renovations	2
3			Improve by 16% for New Buildings or 12% for Existing Building Renovations	3
4			Improve by 18% for New Buildings or 14% for Existing Building Renovations	4
5			Improve by 20% for New Buildings or 16% for Existing Building Renovations	5
6			Improve by 22% for New Buildings or 18% for Existing Building Renovations	6
7			Improve by 24% for New Buildings or 20% for Existing Building Renovations	7
8			Improve by 26% for New Buildings or 22% for Existing Building Renovations	8
9			Improve by 28% for New Buildings or 24% for Existing Building Renovations	9
10			Improve by 30% for New Buildings or 26% for Existing Building Renovations	10
11			Improve by 32% for New Buildings or 28% for Existing Building Renovations	11
12			Improve by 34% for New Buildings or 30% for Existing Building Renovations	12
13			Improve by 36% for New Buildings or 32% for Existing Building Renovations	13
14			Improve by 38% for New Buildings or 34% for Existing Building Renovations	14
15			Improve by 40% for New Buildings or 36% for Existing Building Renovations	15
16			Improve by 42% for New Buildings or 38% for Existing Building Renovations	16
17			Improve by 44% for New Buildings or 40% for Existing Building Renovations	17
18			Improve by 46% for New Buildings or 42% for Existing Building Renovations	18
19			Improve by 48%+ for New Buildings or 44%+ for Existing Building Renovations	19
7			Credit 2 On-Site Renewable Energy	1 to 7
1			1% Renewable Energy	1
2			3% Renewable Energy	2
3			5% Renewable Energy	3
4			7% Renewable Energy	4
5			9% Renewable Energy	5
6			11% Renewable Energy	6
7			13% Renewable Energy	7
2			Credit 3 Enhanced Commissioning	2
2			Credit 4 Enhanced Refrigerant Management	2
3			Credit 5 Measurement and Verification	3
2			Credit 6 Green Power	2



CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

6 Draft LEED Checklist – Blook 88



LEED 2009 for New Construction and Major Renovation Project Scorecard

Project Name: Judge Doyle Square
Project Address: Madison, Wisconsin

Yes ? No
Yes ? No

4		2		7		MATERIALS & RESOURCES		14 Points	
Y						Prereq 1	Storage and Collection of Recyclables	Required	
						Credit 1.1	Building Reuse - Maintain Existing Walls, Floors and Roof	1 to 3	
							Reuse 55%		1
							Reuse 75%		2
							Reuse 95%		3
						Credit 1.2	Building Reuse - Maintain Interior Nonstructural Elements		1
						Credit 2	Construction Waste Management	1 to 2	
							50% Recycled or Salvaged		1
							75% Recycled or Salvaged		2
						Credit 3	Materials Reuse	1 to 2	
							Reuse 5%		1
							Reuse 10%		2
						Credit 4	Recycled Content	1 to 2	
							10% of Content		1
							20% of Content		2
						Credit 5	Regional Materials	1 to 2	
							10% of Materials		1
							20% of Materials		2
						Credit 6	Rapidly Renewable Materials		1
						Credit 7	Certified Wood		1
8		7				INDOOR ENVIRONMENTAL QUALITY		15 Points	
Y						Prereq 1	Minimum Indoor Air Quality Performance	Required	
Y						Prereq 2	Environmental Tobacco Smoke (ETS) Control	Required	
						Credit 1	Outdoor Air Delivery Monitoring		1
						Credit 2	Increased Ventilation		1
						Credit 3.1	Construction Indoor Air Quality Management Plan - During Construction		1
						Credit 3.2	Construction Indoor Air Quality Management Plan - Before Occupancy		1
						Credit 4.1	Low-Emitting Materials - Adhesives and Sealants		1
						Credit 4.2	Low-Emitting Materials - Paints and Coatings		1
						Credit 4.3	Low-Emitting Materials - Flooring Systems		1
						Credit 4.4	Low-Emitting Materials - Composite Wood and Agrifiber Products		1
						Credit 5	Indoor Chemical and Pollutant Source Control		1
						Credit 6.1	Controllability of Systems - Lighting		1
						Credit 6.2	Controllability of Systems - Thermal Comfort		1
						Credit 7.1	Thermal Comfort - Design		1
						Credit 7.2	Thermal Comfort - Verification		1
						Credit 8.1	Daylight and Views - Daylight		1
						Credit 8.2	Daylight and Views - Views		1
4		2				INNOVATION IN DESIGN		6 Points	
						Credit 1	Innovation in Design	1 to 5	
							Innovation or Exemplary Performance		1
							Innovation or Exemplary Performance		1
							Innovation or Exemplary Performance		1
							Innovation		1
							Innovation		1
						Credit 2	LEED® Accredited Professional		1
2		2				REGIONAL PRIORITY		4 Points	
						Credit 1	Regional Priority	1 to 4	
							Regionally Defined Credit Achieved		1
							Regionally Defined Credit Achieved		1
							Regionally Defined Credit Achieved		1
							Regionally Defined Credit Achieved		1
45		24		37		PROJECT TOTALS (Certification Estimates)		110 Points	

Certified: 40-49 points Silver: 50-59 points Gold: 60-79 points Platinum: 80+ points



CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

7. Sustainable Construction Practices

JUDGE DOYLE SQUARE PROJECT

On the Judge Doyle Square project we—Journeyman Group, Kahler Slater, LZ Ventures and Findorff—will incorporate many practices during construction to ensure this project is very sustainable. We will recycle nearly 100% of the material from the structures that get demolished. This material will get separated into specific areas so it is easy to recycle and avoid it from going to the landfill. In addition, all general construction waste (ie. wood, steel, cardboard, plastic, etc.) will be recycled as well. We also know the importance of protecting our precious lakes in Madison so we will control the run-off that is caused during construction. Finally, we are aware of the limited parking around downtown, so Findorff will provide parking for construction workers at their office building that is located just blocks from this site.

Our partnership with the entire design, commissioning and ownership team adds assurance that green building quality is being achieved at every level. The Findorff closeout procedures also provide ample owner training and detailed system operation manuals to assure that buildings will be operated at their designed energy efficiency and add long term value to the owner. By helping our owners extend the life of our buildings, we continue our partnership toward environmental sustainability.

GREEN BUILDING PRACTICES

Developing and utilizing green building practices is a vital part of our commitment to improving the communities where we live, work and play. Findorff strives to construct buildings that stay green both during construction and throughout their use. Whether an owner is looking to get a project LEED certified or just wants to incorporate sustainable building techniques, our LEED Accredited Professionals can help identify key credits and best practices.

COMMITMENT TO GREEN

Findorff has made the commitment to be good stewards, not only of our client's financial resources, but for the incorporation of the tangible resources of building materials and systems.



**BY CREATING OPTIONS TO USE
ALTERNATIVE ENERGY SOURCES,
REDUCE WATER CONSUMPTION,
MINIMIZE WASTE, AND ENHANCE
INDOOR AIR QUALITY, FINDORFF
IS A LEADER IN SUSTAINABLE
CONSTRUCTION BOTH ON
AND OFF THE JOB SITE.**

Findorff





7. Sustainable Construction Practices

Our corporate belief is to be a valued resource for our community, which includes providing sustainable construction solutions. In 2007, Findorff received the Commitment Award from WasteCap Wisconsin and was named Environmentalist of the Year in 2005 by Wisconsin Builder magazine. Findorff was also recently nominated by the Madison Environmental Group for the Wisconsin Business Friend of the Environment Award.

IN PRECONSTRUCTION

Our proven management of the LEED process starts in the preconstruction phase. Our Preconstruction Department has LEED Accredited Professionals who are experts in the LEED process and components. These professionals work with the A/E team to help our clients understand what is possible and what is prudent within the context of their project and the funds available to achieve their goals and objectives. We share ideas related to sustainable site, water efficiency, energy and atmosphere, materials and resources, and indoor environmental quality options. With our extensive list of LEED projects completed, we have compiled a database of cost information for various sustainable or LEED systems.

Our experience has proven that with the early involvement in the planning process, many sustainable LEED systems can be incorporated into projects for little to no cost.

IN THE FIELD

Sustainable construction practices must be implemented in the field. Findorff, has established a process on all sustainable LEED projects of providing the field staff with a project-specific LEED manual. This manual is created with the project team prior to the start of construction. It summarizes all of the sustainable LEED criteria for the project, the goals and objectives, as well as the requirements and documentation process. This extensive education and communication is strengthened with every subcontractor on our team.

SUSTAINABLE INITIATIVES
American Family Children's Hospital Project Size: 420,000 square feet Recycling Partnership: WasteCap Wisconsin
Manpower World Headquarters Project Size: 280,000 square feet Certified: LEED Gold
Epic Systems Corporation Project Size: 500,000 square feet Recycling Partnership: WasteCap Wisconsin
Hilton Vancouver Project Size: 261,360 square feet One of the first LEED certified hotels in the U.S.
Overture Center for the Arts Project Size: 400,000 square feet Recycling Partnership: WasteCap Wisconsin and Madison Environmental Group
Eaton Corporation Project Size: 104,000 square feet Certified: LEED Silver Recycling Partnership: United Disposal Services, LLC
Sun Prairie High School Project Size: 410,000 square feet Recycling Partnership: Waste Management, Inc.
University Square Project Size: 1,000,000 square feet Recycling Partnership: Madison Environmental Group
Martha Jefferson Hospital Project Size: 540,000 square feet Certified: LEED Gold Recycling Partnership: Van Der Linde Recycling
Wisconsin Institutes for Discovery Project Size: 300,000 square feet Recycling Partnership: Madison Environmental Group



Parking for Judge Doyle Square Block 105 intends to follow the City of Madison Parking Utility Green Garage Certification program which is currently being developed by the Green Parking Council.

GREEN GARAGE CERTIFICATION HANDBOOK 1.0 PUBLIC BETA

SECTION A – MANAGEMENT

1. Parking Pricing
 - a. Parking will be appropriately priced.
2. Shared Parking
 - a. Use will be shared parking. Current use has business and government users during the day and evening users for nightlife activity. Special event parking will also be strong.
3. Transportation Management Association (TMA)
 - a. Participation in this program will be assessed with the Parking Utility.
4. Recycling Program
 - a. Participation in this program will be assessed with the Parking Utility.
5. Sustainable Purchasing Program
 - a. Sustainable purchasing will be coordinated with City purchasing.
6. Marketing/Education Program
 - a. Participation in this program will be assessed with the Parking Utility.
7. Building Systems Commissioning
 - a. The development is seeking LEED Certification. The garage area will be commissioned accordingly.
8. Cleaning Products
 - a. Participation in this program will be assessed with the Parking Utility.
9. Construction Waste Management
 - a. The development is seeking LEED Certification. Construction Waste Management will follow LEED guidelines.

10. Regional Materials
 - a. The development is seeking LEED Certification. Regional materials will follow LEED guidelines.
11. Regional Labor
 - a. Regional labor will be documented during construction.
12. Credentialed Management
 - a. Parking Utility Management is currently enrolled in the IPI Certified Administrator of Public Parking (CAPP) program. Certification is expected to be completed this year.

SECTION B – PROGRAM

1. Placemaking
 - a. Parking Structure is an integrated retail, office and residential development.
2. Access to Mass Transit
 - a. Parking Structure is located on main bus routes.
3. Traffic Flow Plan
 - a. Multiple Entry and Exit lanes are located to facilitate traffic flow. Some lanes are reversible to optimize traffic flow during peak times. Pay before exit (pay on foot) and pre-pay (special events) is available to increase traffic flow.
4. Wayfinding Systems (External/Internal)
 - a. Single ramp system allows for a simple traffic flow within the parking structure. Parking Structure is part of a downtown way finding system.
5. Carshare Program
 - a. Participation in this program will be assessed with the Parking Utility.
6. Rideshare Program
 - a. Participation in this program will be assessed with the Parking Utility.
7. Alternative Fuel Vehicles
 - a. Participation in this program will be assessed with the Parking Utility.





CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

8. Block 105 Parking Sustainability

8. Alternative Fuel Shuttles
 - a. The Parking Utility currently do not utilize shuttles.
 9. Bicycle Parking
 - a. Bicycle parking will be provided.
 10. Bicycle Sharing/ Rental
 - a. Bicycle sharing is available near this development. A Bicycle Center is a tenant in the development.
 11. Small Vehicle Program: Rates & Spaces
 - a. Participation in this program will be assessed with the Parking Utility.
 12. Motorcycle and Scooter Parking
 - a. Participation in this program will be assessed with the Parking Utility.
5. Indoor Water Efficiency
 - a. The development is seeking LEED Certification. Water efficiency will follow LEED guidelines.
 6. Water Efficient Landscaping
 - a. The development is seeking LEED Certification. Landscaping will follow LEED guidelines.
 7. EV Charging Stations
 - a. The Parking Utility utilizes electric vehicle charging stations in their parking structures.
 8. Mechanical Systems and Controls
 - a. The development is seeking LEED Certification. Mechanical Systems and controls will follow LEED guidelines.
 9. Lighting Controls
 - a. The development is seeking LEED Certification. Lighting Controls will follow LEED guidelines.
 10. Energy Efficient Lighting
 - a. The development is seeking LEED Certification. Lighting will follow LEED guidelines. LED fixtures will be used.
 11. Energy Efficient CO₂ Ventilation
 - a. The development is seeking LEED Certification. Ventilation will follow LEED guidelines.

SECTION C – TECHNOLOGY AND STRUCTURE DESIGN

1. Automated Payment System
 - a. Pay on foot will be available for use.
2. Fire Suppression
 - a. Fire suppression system will be halon-free.
3. No or Low VOC Coatings
 - a. The development is seeking LEED Certification. Coatings, paints and sealants will follow LEED guidelines.
4. Tire Inflation Station
 - a. Participation in this program will be assessed with





CHAPTER 3 – DETAILED CONCEPT DESIGN AND SPECIFICATIONS

8. Block 105 Parking Sustainability

12. HVAC Systems

- a. The development is seeking LEED Certification. HVAC systems will follow LEED guidelines.

13. Indoor Air Monitoring

- a. The development is seeking LEED Certification. Air monitoring will follow LEED guidelines.

14. Rainwater Harvesting

- a. Rainwater Harvesting will not be used.

15. Greywater Reuse

- a. Greywater Reuse will not be used.

16. Reused, Repurposed, or Recycled Materials

- a. The development is seeking LEED Certification. Materials will follow LEED guidelines.

17. Roofing Systems

- a. The development is seeking LEED Certification. The parking structure has buildings located above the parking decks. Roofing systems will follow LEED guidelines.

18. LEED or Green Globe Certification

- a. The development is seeking LEED Certification.

19. Sustainable Power & Net-Zero Energy Buildings

- a. Participation in this program will be assessed with the Parking Utility.

20. Life Cycle Assessment

- a. Participation in this program will be assessed with the Parking Utility.



Hilton Monona Terrace – Findorff

INNOVATION SECTION

1. Innovative Approach

- a. Participation in this program will be assessed with the Parking Utility.

2. Exemplary Performance

- a. Participation in this program will be assessed with the Parking Utility.



Risser Justice Center – Henneman



Detailed specifications for the following can be found in Chapter 15 – Appendix.

BLOCK 88

I. PLUMBING SYSTEMS

II. FIRE PROTECTION SYSTEMS

A. Base Design Criteria

III. MECHANICAL SYSTEMS

A. Base Design Criteria

B. Systems Descriptions

C. Natural Gas Services: Per Marriot Design Standards

D. Emergency/Standby Service: Per Marriot Design Standards

E. Fire Command Center

F. Fire Fighter Control Panel (FFCP)

G. Fire Pump Room

H. IDF – Telecommunications

I. Occupant Evacuation and Fire Service Elevators

J. Elevator Machine Rooms

K. Building Automation System: Per Marriot Design Standards

L. Sealing and Fireproofing

M. Commissioning: Per Marriot Design Standards

IV. ELECTRICAL SYSTEMS

A. Base Design Criteria

B. Normal Power Services and Distribution

C. Emergency/Standby Service and Distribution

D. Distribution Equipment and Material

E. Selective Coordination, Arc Flash and Short Circuit

F. Grounding and Bonding System

G. Fire Command Center

H. Occupant Evacuation and Fire Service Elevators

I. Lighting and Lighting Control Systems

J. Wiring Devices

K. Lightning Protection System

L. Fire Alarm/Detection System

M. Wiring Methods

N. Sealing And Fireproofing

O. Low Voltage Systems

BLOCK 105

I. PLUMBING SYSTEMS

A. Base Design Criteria

1. Applicable Codes, Guidelines and Standards

B. System Descriptions

1. Sanitary Drain Waste and Vent

2. Storm and Clearwater Waste and Vent

3. Domestic Water Service

4. Domestic Water Distribution

5. Non-Potable Water Systems

C. Plumbing Fixtures

1. Provide commercial grade fixtures, faucets, and trim

2. Public Fixtures

3. Residential Fixtures

II. FIRE PROTECTION SYSTEMS

A. Base Design Criteria

1. Applicable Codes, Guidelines, and Standards

B. System Descriptions

1. Fire Protection Water Service

2. Wet Pipe Sprinkler System

3. Dry Pipe Sprinkler System

4. Standpipe System

5. Fire Pump

6. Miscellaneous Equipment

III. MECHANICAL SYSTEMS

A. Base Design Criteria

1. Applicable Codes, Guidelines, and Standards.

2. Outdoor Design Conditions

3. Indoor Design Conditions

4. Heating and Cooling Loads

5. Ventilation Rates

6. Building Pressure Relationships Criteria

7. Acoustics

B. Systems Descriptions

1. Apartments

2. Variable Air Volume System (Offices/Retail)

3. Stairwell Pressurizations System

4. Parking Garage Exhaust System

5. Truck Dock Exhaust System

6. Mechanical/Electrical/Fire Pump Rooms

7. Building General Exhaust System



- C. Natural Gas Services
- D. Emergency/Standby Service
- E. Fire Command Center
- F. Fire Fighter Control Panel (FFCP)
- G. IDF – Telecommunications
- H. Occupant Evacuation and Fire Service Elevators
- I. Elevator Machine Rooms
- J. Building Automation System
- K. Testing, Adjusting, and Balancing
- L. Sealing and Fireproofing
- M. Commissioning

IV. ELECTRICAL SYSTEMS

- A. Base Design Criteria
- B. Normal Power Services and Distribution

- C. Emergency/Standby Service and Distribution
- D. Distribution Equipment and Material
- E. Selective Coordination, Arc Flash and Short Circuit
- F. Grounding and Bonding System
- G. Fire Command Center
- H. Occupant Evacuation and Fire Service Elevators
- I. Lighting and Lighting Control Systems
- J. Wiring Devices
- K. Lightning Protection System
- L. Fire Alarm/Detection System
- M. Wiring Methods
- N. Sealing And Fireproofing
- O. Low Voltage Systems



University Square – Findorff





CHAPTER 4 – PROPERTY MANAGEMENT PLAN

1. Property Management Plans – Hotel and Residential

RFP REQUIREMENT

A property management plan including any potential tenants or major users or operators within the project and the sustainable operating practices that will be utilized in managing the development with special attention to the hotel operations.

Major User	Operator
BLOCK 88	
Marriott Hotel	Marcus Hotels & Resorts
Parking	Marcus Hotels & Resorts
BLOCK 105	
Residential	Madison Property Managers
Office	JCI Management
Retail	JCI Management
Parking – City	Madison Parking Utility
Parking – Office/Retail Residential	JCI Management

PROPERTY MANAGEMENT PLANS

MARRIOTT HOTEL

The Marcus Corporation is a Milwaukee based, publicly-traded company comprised of two divisions—Marcus Hotels and Resorts and Marcus Theatres. Its portfolio includes 20 hotels and resorts nationwide and nearly 600 screens spanning seven states. Marcus Hotels and Resorts parlay nearly 50 years of experience into luxury, revenue growth and reputation.

Marcus Hotels & Resorts will operate the Marriott Madison in accordance with its own comprehensive and time-tested standards and systems, complying with the terms and receiving the benefits of the Marriott franchise license. The hotel will be locally operated by a top tier Marcus executive committee overseen by an experienced

General Manager, supported by department heads for all functions in a full service hotel, including sales and marketing, food and beverage, meetings and social event management, housekeeping, engineering and sustainable practices, human resources, maintenance and renovations and overall hotel operations. The Marriott will be larger than the existing Madison Hilton, but will observe all the same high standards on which the Hilton's reputation has been built. Together, the hotels will offer Madison and the Monona Terrace Convention Center top notch, nationally recognized lodging facilities and international and domestic reservation systems, and be capable of handling all types of group and convention related business as well as social business and business and leisure transient travelers.

The local staff will receive the support of Marcus' extensive corporate resources, which are based in Milwaukee. In addition to direct support for each of the functions described above, Marcus' corporate platform provides legal and accounting support, information technology systems, sales and marketing, training and other functions that contribute to the success of each hotel operated by the company.

Operating budgets, capital expenditure plans, marketing plans and community relations plans are prepared and updated annually and the corporate office provides asset management pursuant to a rolling 5-year plan for all aspects of the properties operations and physical quality.

RESIDENTIAL

PROPERTY MANAGEMENT

The Block 105 residential development will be managed by Madison Property Management (MPM).

CENTRAL MANAGEMENT OFFICE

The development plan is to have two separate towers, each having between 60 and 75 units. There will be one central management office that would serve both towers. This office would be staffed five days per week in



CHAPTER 4 – PROPERTY MANAGEMENT PLAN

1. Property Management Plans – Hotel and Residential

an effort to handle all of the management related needs of the residents.

MAINTENANCE STAFF

Maintenance would be handled by MPM's full-time maintenance staff that is run out of our main office at 1202 Regent Street in Madison. Our maintenance staff currently serves over 3600 individual apartment, condominium and commercial units in Madison and the surrounding area.

INITIAL RENTAL ACTIVITY

Initial rental activity for this development would be handled out of our office at 1202 Regent Street. Subsequent rental activity would be handled out of the on-site management office.

PARKING

The goal is to make this development a very pristine location. Parking will be more than adequate to handle the needs of the development, with 1.5 parking stalls provided per residential apartment. Stalls would be leased without residents being assigned to specific stalls. However, there will be specific floors that will be set up for residential parking only. The development team fully understands that no street parking permits would be granted to anyone living at this location.

LOADING ZONES

Each tower will have a separate loading zone with moving van height access. Additionally, 7 foot high vehicles will be able to gain access to the residential parking floors to accommodate easy move-in/move out access for all residents. If necessary, appointments for use of the loading zone will be made to accommodate a timely move-in process and eliminate any potential traffic problems.

TRASH AND RECYCLING

There will be a trash and recycling room on each floor. The trash chute will accommodate trash going directly to the first level trash room, allowing people to dispose of their trash 24/7. Recycling material will be temporarily stored in the trash room on each floor and then removed

by management staff to recycling bins located in the lower-level for pickup on a weekly basis by a professional waste management company.

ROOFTOP TERRACE

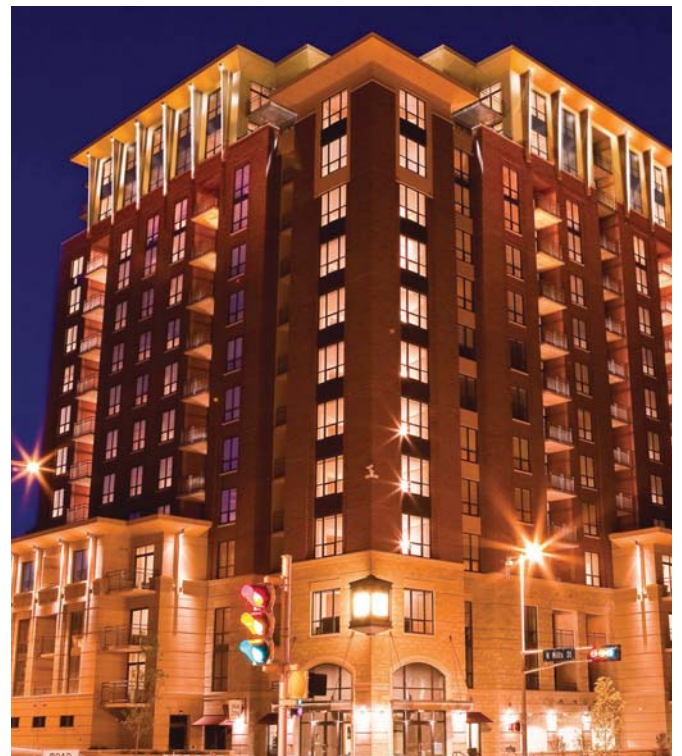
The rooftop terrace will have plants professionally chosen to handle the Wisconsin climate and professionally maintained by management staff.

CONDOMINIUM ASSOCIATION

This project will be a condominium development. MPM manages some of Madison's most pristine condominium associations and is familiar with the interaction of the developers, the condominium association board, the residents and management. We have devised a successful process whereby all involved can work together in the best interest of the entire development.

PARKING

See Chapter 5 for a detailed Parking Management Plan.



Grand Central Apartments – LZ Ventures, Knothe & Bruce, Vierbicher





2. Property Management Plan – Retail, Office and Parking

PROPERTY MANAGEMENT PLAN

Journeyman Group will establish normal hours of operation for the Office as Monday – Friday 7:00 am to 6:00 pm and for the Retail 6:00 am to 12 midnight 7 days a week, except Federal holidays. Journeyman will also assume responsibility for the retail/office parking, core interior and exterior maintenance of the building as a landlord responsibility.

All Building Systems are designed for energy efficiency and are controlled by the Direct Digital Control system to be specified by the Mechanical Engineer. During the closeout phase, our MEP, Testing and Balancing and Controls Subcontractors, working with the General Contractor and Engineers, will consult with the Building users and adjust the Sequence of Operations to match the specific requirements of the Tenant.

In general, we will have the following energy use programmed.

NORMAL HOURS START AT 7:00 AM (RETAIL 6:00 AM)

1. HVAC Equipment to be set to 72° or desired ambient temperature.
2. Lights set to turn off after janitorial staff leave the premises.
3. Plumbing hot water availability to be continuous or alternately, the circulation pumps and boilers could step down to unoccupied mode for extended periods when not in use.
4. Ventilation to be synced with occupancy sensors or programmed to go to unoccupied modes that are seasonally adjusted.
5. Automatic door operation, special systems adjusted per the Tenants security preference.

AFTER HOURS

1. HVAC Equipment timers turned on zones of higher ambient temperature
2. Electrical Lights override switches, motion sensors available.

BUILDING MAINTENANCE AND CLEANING

Journeyman's goal will be to provide comprehensive property management services combined with local expertise. The management of Journeyman will be actively involved with the Operations and Management Team in ensuring the facility is run in accordance with all negotiated lease terms. A detailed Operations and Management Plan will outline the services to be provided, as well as the O&M Team's background and management processes.

HISTORY AND BACKGROUND

The partners of Journeyman Group have over 60 years of collective experience providing complete facility management and related services to retail, commercial, institutional and governmental real estate. Our services have been provided to numerous commercial facilities during this period. These contracts comprise several hundred thousand square feet of interior building space and exterior grounds.

STAFFING

The Maintenance and Custodial functions require distinct expertise that is best met by having a dedicated supervisor to head up each functional team. The Mechanical Maintenance supervisor must possess an HVAC certification and the requisite technical experience to perform and oversee maintenance performed by his subordinate and subcontractors alike.

BUILDING MANAGER

The Building Manager will provide the site with professional property management service at all times, and will organize the day-to-day operation of the property. The Building Manager will effectively be responsible for all staff under his or her control and will ensure the overall service provided to the tenants is comprehensive, satisfying and consistent and at all times professional.

GENERAL CONDUCT OF THE MAINTENANCE STAFF

The success of property maintenance services depends to a very great extent upon the perception of the services received by the occupants/tenants. A satisfactory service



2. Property Management Plan – Retail, Office and Parking

in turn depends upon the competence, conduct and co-operation of all maintenance staff. For this reason, a high standard of Conduct, Courtesy and Discipline is required from all maintenance staff members and it will be the responsibility of the Building Manager to enforce such disciplines.

POLCIES

Journeyman will use local, dedicated Building Managers and facility staff. We have a proven track record of providing reliable, local facility management with the added benefit of detailed oversight and quality control from an experienced management team. Staff for this facility will be selected from the Madison area through a rigorous recruitment and training process.

EQUAL EMPLOYMENT OPPORTUNITY (EEO) POLICY

Journeyman Group is an Equal Employment Opportunity compliant employer, and does not discriminate against employees or potential candidates and applicants based on their race, color, religion, sex, national origin or sexual orientation per Title VII of the Civil Rights Act of 1964 as amended.

THE AGE DISCRIMINATION IN EMPLOYMENT ACT

Journeyman Group does not discriminate against employees or potential candidates and applicants based on their age per The Age Discrimination in Employment Act (ADEA) of 1967.

AMERICANS WITH DISABILITIES ACT

Journeyman Group does not discriminate against employees or potential candidates and applicants based on disability per The Americans with Disabilities Act (ADA) of 1990, as amended.

EXTERIOR MAINTENANCE AND OPERATIONS

All employees performing building systems activities will report directly to the site Building Maintenance/Property Manager. In each building system area, plans will be put in place to respond to emergencies using the employee or subcontractor associated with the area in which the emergency occurs. The Building Manager is responsible for developing a plan for emergency situations which

include the identification of spare parts for emergencies, a list of emergency gears/tools, the establishment of fire procedures and the establishment of emergency shutdown procedures.

EXTERIOR BUILDING MAINTENANCE

Exterior maintenance includes, but is not limited to: landscaping and grounds, irrigation, trash removal, exterior lighting, parking lot cleanup and repair, pest control, window washing, litter cleanup. Exterior and grounds maintenance will be performed on a regular scheduled frequency by the Building Manager and O&M staff with the addition of specialized, qualified subcontractors. No subcontractor will be allowed on the property without appropriate certificate of insurance.

ROOFS

Roofs are exposed to greater environmental extremes than any other building component. With the annual cost of a complete maintenance program running between 1 – 2% of replacement cost, maintenance can double the service life of a typical roof. Maintenance is also a requirement for roof warranties. Although roofing has long been a source of maintenance problems for facilities, most problems can be avoided through a reasonable monitoring and maintenance program.

CONCRETE

All concrete work will be subcontracted to a vendor local to the building site. The subcontractor will be prescreened and will have an executed agreement on file indicating the subcontractor's agreement to meeting and exceeding performance expectations. The subcontractor will be required to comply with ACI 318 for his/her work and ASTM C 94 for materials.

Additional care will be taken to monitor paving for degradation due to possible severe freeze/thaw cycling.

PAINING

After initial occupancy, O&M staff will handle all "touch-up" painting. All major exterior painting will be subcontracted to a local vendor. The subcontractor will be prescreened and will have an executed agreement on



CHAPTER 4 – PROPERTY MANAGEMENT PLAN

2. Property Management Plan – Retail, Office and Parking

file indicating the subcontractor's agreement to meeting and exceeding performance expectations.

WINDOW CLEANING

Exterior window washing will be handled by janitorial staff or subcontracted.

GROUNDS MAINTENANCE

Journeyman will implement a consistent grounds maintenance program to ensure the facility grounds are appropriately maintained from both aesthetic and human safety standpoints. The basis for the grounds maintenance program is an activity standard for the various tasks required to maintain the grounds.

The grounds tasks, which will be performed by O&M staff, include:

- Policing of grounds, roads, parking lots and sidewalks
- Snow and ice removal immediately upon occurrence

- Erosion control
- Care of grassed areas including soil testing
- Tree and shrub care
- Care of planters and decorative beds
- Maintenance of roads or parking lots
- Repair or replacement of signs
- Repair, replace, and maintain benches

SNOW REMOVAL

During icy days, remove all frozen precipitation, prior to clinic opening and throughout the day of inclement weather. Utilize chemical, salt and sand and ensure patient/staff safety from falls and slipping in all appropriate areas.

INTERIOR BUILDING SYSTEMS

In each building system area, plans will be put in place to respond to emergencies using the building technician associated with the area in which the emergency occurs. The Building Manager is responsible for developing a plan for emergency situations which include the identification of spare parts for emergencies, a list of emergency gears/tools, the establishment of fire procedures and the establishment of emergency shutdown procedures.

ELECTRICAL SYSTEMS

As facilities become more dependent on automation and computerized equipment/systems, the need for highly reliable electric service becomes more pronounced. While building codes and regulations offer some assurance that electrical systems are safe, a continuous supply of electrical energy can be guaranteed only through a rigorous program of preventive maintenance, load assessment, and electrical system testing.

Testing of standby electrical/generator systems will be planned and coordinated by in-house staff and with the appropriate Tenant representatives.

O&M staff will utilize a two-stage electrical testing program:

Inspection – Daily, weekly, quarterly, etc. inspection of predetermined points using an in-house individual trained to perform the tasks required



Hilton-Austin Convention Center – Journeyman





2. Property Management Plan – Retail, Office and Parking

Hands-on operation – switches, circuit breakers and relays are periodically operated to verify their mechanical operation and to free up lightly corroded linkages and mechanical operators

The Building Manager will be on call for electrical system emergency maintenance by carrying a cell phone 24 hours a day and will be trained on emergency procedures, equipment requirements and spare part locations.

Journeyman will provide licensed electrical contractors that will handle all necessary repairs for this facility.

PLUMBING SYSTEMS

O&M staff will maintain the plumbing system to comply with health and safety codes, and implement plans to ensure occupants and visitors have fully functioning plumbing service. Since plumbing systems are constantly in operation, maintaining pressure, temperature and water seals between occupied spaces and the sewage disposal system is critical.

Included in Journeymans' plumbing system maintenance plans are the following:

- Potable water
- Hot Water
- Sanitary Waste
- Storm Waste
- Gas

The Building Manager will respond to routine/emergency plumbing requests and perform the system's preventive maintenance. System guidelines will be developed to outline the appropriate decisions for various situations.

Journeyman utilizes licensed plumbing contractors that will handle all necessary plumbing maintenance and repairs that are beyond the technical capabilities of the on-site staff. If the Building Manager is not on site at the time of the emergency, in-house staff will be on-call as the first line of defense for plumbing emergencies. The responding staff will be expected to adhere to a 30-minute response time.

To facilitate more efficient emergency repairs, a Plumbing System Emergency Manual will be prepared and issued to the appropriate personnel. The manual will list

the emergency telephone numbers to call, identify shut off procedures, personnel notification list and system locations.

UTILITY SYSTEMS

The Utility Systems to be operated and maintained include but are not limited to: Air Conditioning & Ventilating System, Central Supervisory Control System and Security/Life Safet/Communication Systems.

Journeyman will provide sufficient qualified personnel to operate, inspect for abnormal conditions and repair the Air Conditioning/ Ventilating System, Electrical Distribution System, Communication System and Central Supervisory Control System 24 hours per day and 365 days per year.

The scheduled maintenance program O&M staff will utilize for the utility systems will include preventive maintenance (PM) practices. Implementation of this "reliability-oriented" system provide the benefit of increased equipment life, reduced remedial maintenance costs of parts and labor, reduction in service calls and optimum equipment operation and availability.

HEATING, AIR CONDITIONS, AND VENTILATION

Air Conditioning/Refrigeration equipment represents a large energy consumption load within a facility; hence attention must be focused on improving the operating efficiency. The Building Manager will perform all routine maintenance, preventive maintenance and emergency response. Repairs and preventative maintenance beyond the capability of in-house staff will be handled by the HC Subcontractor. They must have extensive experience in HC, chiller and refrigeration systems repair and inspection.

CENTRAL SUPERVISORY CONTROL SYSTEM

Effective utilization of a Central Supervisory Control System, or Building Automation System (BAS), will result in the maintenance of the proper temperature/humidity levels and serve as the central monitoring point for fire, malfunctioning equipment and/or security alarms. Additionally, lighting, water circulation and other systems could be controlled by the system as well in an effort



2. Property Management Plan – Retail, Office and Parking

to maximize building efficiency and equipment life cycles. To assure consistent implementation of building user requirements/demands, the number of individuals with the authority to change/revise the operating programs will be limited.

A professional company will provide technical support (via the internet and/or internal diagnostic program), software support and operator training (specific training requirements will be determined by the type of system at a particular site). The Building Manager and subcontractor will meet during the site survey to determine what preventative maintenance will be performed by which organization. The Building Manager will supervise the performance of any maintenance activities.

COMMUNICATIONS SYSTEM

The JDS Retail/Office communication system is expected to consist of the following:

- Closed Circuit TVs
- Paging System
- Intrusion Alarm System
- Safety Alarm System

Journeyman will use a combination of the Building Manager, and a corporate communications consultant to maintain the communication system. Appropriate training as required will be provided as the needs of the site are determined.

The Building Manager will be the first line of maintenance service and response. The in-house staff will be trained to troubleshoot the equipment following a standard check list, isolating the faulty component(s) and removing them and obtaining the necessary spare part/back up unit from central inventor, and start up the equipment within the timeframe as follows:

- Closed Circuit TVs – 48 hours
- Intrusion Alarm System – 8 hours
- Safety Alarm System – 8 hours

INTERIOR JANITORIAL SERVICES

Journeyman understands the importance of providing quality janitorial services in such commercial facilities. We will ensure the facility runs smoothly and in accordance with all tenant expectations from day-one of occupancy. We will provide adequate staffing to complete all janitorial work during the prescribed hours. The Janitorial Staff Supervisor will report to the Building Maintenance/Property Manager. This individual will oversee all janitorial staff in coordination with Journeyman central office.

Janitorial staff will be provided uniforms and undergo the necessary security clearance prior to beginning work at the premises. Janitorial staff will be under the direct supervision of a Janitorial Supervisor or Building Manager at all times. In addition, all janitorial staff will carry pagers/cell phones at all times during working hours. Journeyman will provide all necessary cleaning equipment and supplies to ensure that all building requirements are met. Supplies will be correctly stored and reserves will be kept to meet all requirements of the facility. In addition, O&M staff will utilize environmentally friendly cleaning products and paper supplies as required.



Kimpton Hotel – Kahler Slater





2. Property Management Plan – Retail, Office and Parking

All O&M staff will undergo site-specific training and be instructed to review Journeymans' safety and emergency policies.

EMERGENCY AND ROUTINE WORK ORDER PROCEDURES

The onsite Building Manager will be the central control point for all work request/work orders. For activities requiring the attention of maintenance staff or subcontractors, the work order process will be established.

WORK ORDER PRIORITY & RESPONSE TIMES

Once the work request is received, a priority is assigned to the request. The priority choices are as follows:

Priority	Definition	Response Time
Emergencies	Stop work currently in progress and respond IMMEDIATELY to the emergency request and make the necessary repairs. A maintenance work request can be completed hours after the emergency is stabilized to permit the charging of maintenance labor and materials	Immediately
Priority One	Urgent work. Work to be initiated within 8 business hours and expedited around the clock until repairs are completed	8 Business Hours
Priority Two	Work to correct an unsafe condition which is not an immediate hazard to personnel but should be accomplished within 2 working days	2 Working Days
Priority Three	Work to improve building operation will be completed within 5 working days	5 Working Days
Priority Four	Work not identified above and can be economically justified. The work will be completed within 10 calendar days.	10 Calendar Days

EMERGENCIES

A Call Tree will be established in case of emergencies. This Call Tree will list all necessary contact information of the

Building Maintenance/Property Manager, as well as those of Journeymans' emergency response line and tenants. All emergencies will be responded to immediately upon receipt of the call.

EMERGENCY PROCEDURES

In the event of an occurrence of any emergency incident, whether relating to Fire, Crime, complaint or serious faults/breakdown of the building facilities, the senior maintenance staff on the scene or the Building Manager if present, will record particulars in an Incident Report. Detailed emergency procedures for heavy rainstorm, fire breakout, gas leakage, elevator breakdown, excessive noise, traffic accidents, bomb threat, electrical failure, flooding and falling objects will be included in the Operations and Management Plan.

OVERALL FACILITY QUALITY CONTROL

The partners of Journeyman have earned a pristine reputation in the property management business by consistently adhering to the strictest quality control measures. O&M staff members undergo extensive training to ensure that work is performed to the highest standards. Journeyman executive staff members regularly review each facility and provide written evaluations and progress reports to facility owners. Journeyman has the proven track record and experience to successfully implement a comprehensive property management program this project.

Journeyman will regularly review the quality of contracted services to ensure that they are consistent with the company's overall management objectives and more importantly, consistent with expectations. We will not be satisfied with mediocre performance and firmly believe that we can provide top quality facility management for this project.



GREEN INITIATIVES

The following initiatives will be incorporated in the operations and construction of Blocks 88 and Block 105

DAILY OPERATIONS

- Offering employees bus passes and encouraging walking and biking to work
- Not doing linen change every day
- Recycling program
- Re-usable goods (re-fillable soaps, glass cups vs. plastic, dispensers)
- Cleaning products that are eco-friendly
- Advertising and promotional materials printed on recycled paper
- Copiers and printers set up to double side
- Newspapers provided upon request rather than for every room
- Energy STAR appliances
- Video / Teleconferencing to minimize travel
- Organic foods purchased
- Locally purchased produce and meats
- Not changing hotel linens every day

CONSTRUCTION

- Water efficient toilets
- Low flow showers
- LED Lights
- Exit signs with LED lighting
- Replacement energy efficient windows
- HVAC with annual preventative maintenance
- Entry areas with revolving doors
- Operable windows
- Use of low VOC paint
- Carbon Monoxide detectors
- Motion detector lighting





PARKING MANAGEMENT PLAN

Parking allocation in a mixed-use development requires a delicate balance of meeting the demands of multiple users. The demand, the amount of parking required to serve each use, has to be determined and then allocated to serve its intended use and function well with the other uses.

The Parking Demand generated by the major components of the proposed mixed-use development is:

- **Hotel** – 352 rooms
- **Municipal Fleet** – Replace the 40 spaces of municipal fleet parking currently located on Block 88
- **Public Parking** – Replace the Parking Utility's 520 stall Government East parking garage.
- **Retail Space** – 11,680 square feet
- **Office Space** – 52,190 square feet
- **Residential** – 134 units

The demand quantity of parking spaces for each use based on Madison Zoning and Judge Doyle Square Program requirements is:

- **Hotel** – 0.67 spaces per room
- **Municipal Fleet** – Replace the 40 spaces of municipal fleet parking currently located on Block 88
- **Public Parking** – Replace the Parking Utility's 520 stall Government East parking garage.
- **Retail Space** – 1 space per 250 square feet
- **Office Space** – 1 space per 350 square feet
- **Residential** – 1.5 per unit

In our Supply Quantity, we have accommodated the loss of 20 public parking spaces on Block 88 and 8 on street spaces. A summary and allocation is summarized in the table shown below.

PARKING ALLOCATION

The parking allocation is based on providing proximity to the use. With the proposed hotel and the Madison Municipal Building on Block 88, four levels of below grade parking are proposed below the hotel. The uses on Block 105 have a public and private component. For separation of uses, the parking for the office and residential uses are located above grade. The public parking will enter and exit at grade and parking will be located below grade

Block	Parking Allocation	Levels	Demand Quantity (Spaces)	Supply Quantity (Spaces)
Block 88	Hotel Parking	B1 to B4	235	235
	Municipal Fleet Parking	B1	40	40
	Block 88 – Subtotal		275	275
Block 105	City Public Parking	1 & B1 to B4	520	598
	Retail Parking	1 & 1.5	56	56
	Public Parking – Subtotal		576	654
	Office Parking	P1.5 to P4	145	145
	Residential Parking	P1.5 to P4	201	201
	Office & Residential – Subtotal		346	346
	Block 105 – Subtotal		922	1000
Project Totals			1,197	1,275





CHAPTER 5 – PARKING MANAGEMENT PLAN

1. Parking Management Plan

since we understand that the City prefers the parking for the development be placed below ground.

BLOCK 88 PARKING ACCESS

The entry and exit will be from Wilson Street through a parking access and revenue control system (PARCS).

BLOCK 105 PARKING ACCESS

The entry and exit locations are located on Doty and Wilson streets with no parking access to Pinckney Street. Each entry/exit has three total lanes: one inbound, one out bound and one reversible for inbound or outbound traffic depending on demand. All parking users can enter and exit from both of these locations allowing users choices. The entry and exit will be from Wilson Street through a parking access and revenue control system (PARCS).

The Supply Quantity of public parking is 15% greater than the current Government East Parking Structure. The current PARCS has two entry/exit lanes. Based on demand, our system can be configured as four entry lanes/two exit lanes or two entry lanes/four exit lanes. For entry, four push button ticket dispensers can process 1600 vehicles per hour. For exiting if pay on foot system is used, throughput for four lanes is 1,300 vehicles per hour. If cashier payment at four lanes is used, throughput decreases to 540 vehicles per hour. These transactions are valid for the public spaces.



Hilton Omaha – Robert Gallip

We analyzed entry/exit data on the Government East Garage from January 1, 2012 to April 10, 2013. Peak entry counts are 79 vehicles in fifteen minutes (316 vehicles per hour as a conservative conversion). Peak exit counts are 69 vehicles in fifteen minutes (276 vehicles per hour as a conservative conversion). The office and residential users will use a proximity card which allows a throughput of 600 vehicles per hour per lane. The office and residential users are required to enter another parking system. For efficiency and improved operation, the Wilson Street entry/exit provides direct access to the public parking floors with minimal turns. The Doty Street entry/exit provides direct access to the private parking floors with minimal turns.

MEASURES FOR CUSTOMER QUEUING

Measures to address the issues of customer queuing time have been addressed within our plans to have the Public Parking element have points of ingress/egress on both Doty and Wilson Streets and that the Wilson Street entrance/exit is being isolated to the greatest degree from the office and residential users. In most instances, the peak times for the public and private users do not occur at the same time. The needs during special events can be accommodated with the greatest need being more common peak hour exit times. With our Wilson access point being towards the east, this should best accommodate street capacities and conditions and provide a good parking experience with particular attention paid to entry/exit efficiency.

PARKING ACCESS AND REVENUE CONTROL

We have included a parking access and revenue control system (PARCS) that provides choices of a variety of payment options for customers in order to provide both a safe and efficient entry/exit and payment process, including special events. When the City selects a new PARCS vendor, we will engage the chosen Vendor to provide the parking equipment owned and managed by the City.





CHAPTER 5 – PARKING MANAGEMENT PLAN

1. Parking Management Plan

SECURITY

The security concerns in parking areas will include video surveillance, emergency call stations and higher lighting levels using the LED fixture currently being installed in other City Parking facilities.

VISUAL APPEARANCE

The above ground parking will be visually appealing as viewed from the sidewalk and adjacent structures, and we further believe this above grade mass contributes to the developments urban scale.

PHASING

Phasing and staging of the construction is discussed in our Land Use and Community Engagement Sections. Based on current occupancy rates, we estimate 330 vehicles of the public parking spaces and 80 monthly permit vehicles

will need to be accommodated during construction. We will assist you in developing a temporary parking plan.

We believe our parking solution will build an adequate supply of parking at an affordable rate for the Parking Utility and its customers, but no more than necessary while remaining out of the permanent water table (both due to costs) in order to support the potential multiple uses for above grade development (i.e. public, city fleet, hotel, residential, office).



Atlanta Marriott – CMMI





MEMORANDUM

BLOCK 105 PARKING



WALKER
PARKING CONSULTANTS

PAGE 1

505 Davis Road
Elgin, IL 60123

DATE: August 19, 2013
TO: Mike Schmidt
COMPANY: Henneman Engineering, Inc.
ADDRESS: 1232 Fourier Drive, Suite 101
CITY/STATE: Madison, WI 53717

Office: 847.697.2640
Fax: 847.697.7439
www.walkerparking.com

CC:

HARD COPY TO FOLLOW: No

FROM: Tom Hannula
PROJECT NAME: Block 105 Parking
PROJECT NUMBER: 31-0400.03
SUBJECT: Block 105 Parking

Mike,

We have reviewed the drawings of parking areas located on Block 105 which you provided dated 8-14-2013. The following are our comments:

1. At the East Wilson Street entrance we have assumed that public, office and residential parkers may all enter at this location. Public parkers would take a parking ticket on entry and proceed down the ramp to the public parking levels. Office and residential parkers would use a proximity card to enter. They would turn left to proceed to the upper residential/office parking areas.
2. At the East Wilson Street exit we have assumed that public, office and residential parkers may all exit at this location. Public parkers may pay at pay-on-foot machines located in stair/elevator lobbies, at pay-in-lane exit machines, or at manned cashier booths. Office and residential parkers would use proximity cards to exit.
3. See Sketch SK-1 for a possible layout for the Parking Access and Revenue Control System (PARCS) equipment at the East Wilson Street entrance/exit.
4. At the East Doty Street entrance we have assumed that public, office and residential parkers may all enter at this location. Public parkers would take a parking ticket on entry and turn right to the public parking levels. Office and residential parkers would use a proximity card to enter. They would proceed straight ahead up the ramp to the residential/office parking areas.
5. At the East Doty Street exit we have assumed that public, office and residential parkers may all exit at this location. Public parkers may pay at pay-on-foot machines located in stair/elevator lobbies, at pay-in-lane exit machines, or at manned cashier booths. Office and residential parkers would use proximity cards to exit.



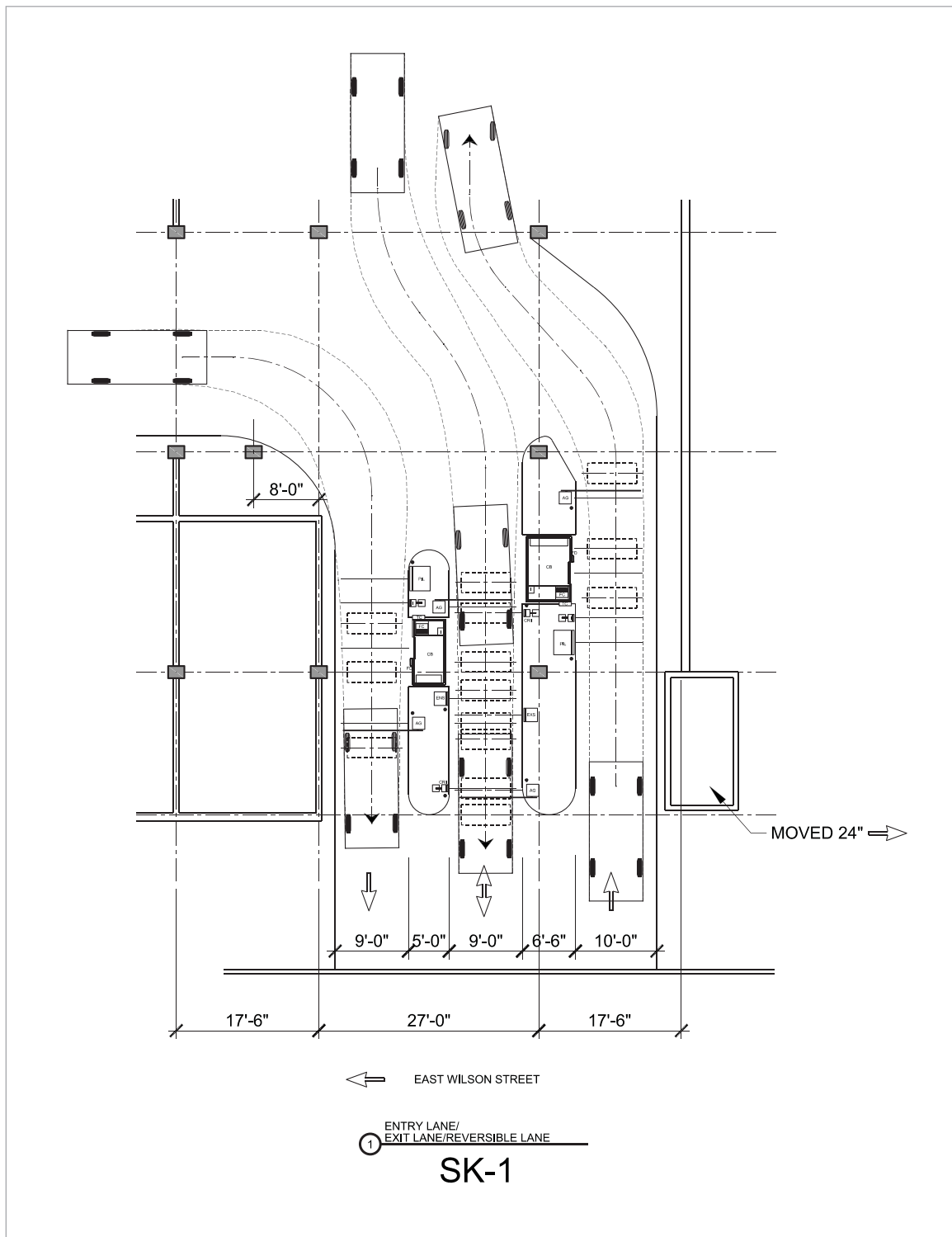
MEMORANDUM BLOCK 105 PARKING



PAGE 2

6. See Sketch SK-2 for a possible layout for the PARCS equipment at the East Doty Street entrance/exit.
7. The office and residential parking may be segregated from the public parking areas by use of the PARCS. Entrance/exit equipment could be located near mid-ramp up from the East Doty Street entrance/exit. Proximity cards could be used to access the office and residential parking areas. Proximity cards could be programmed to require office and residential parkers to use their area rather than using public parking spaces.
8. See Sketch Sk-3 for a possible layout for the PARCS equipment at the office/residential parking area entrance/exit.
9. See the attached memo for a narrative discussing the operation methodology and PARCS equipment.

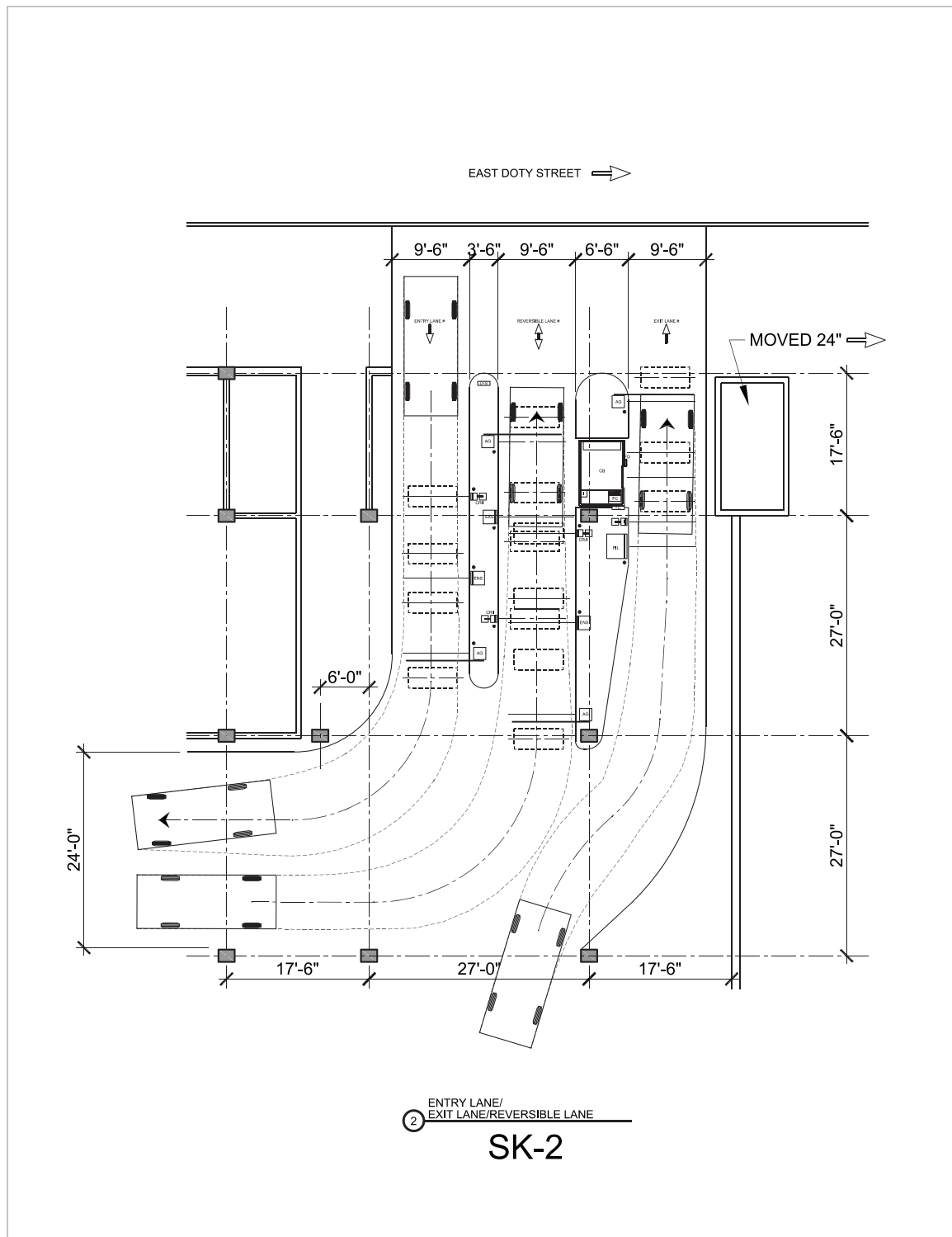




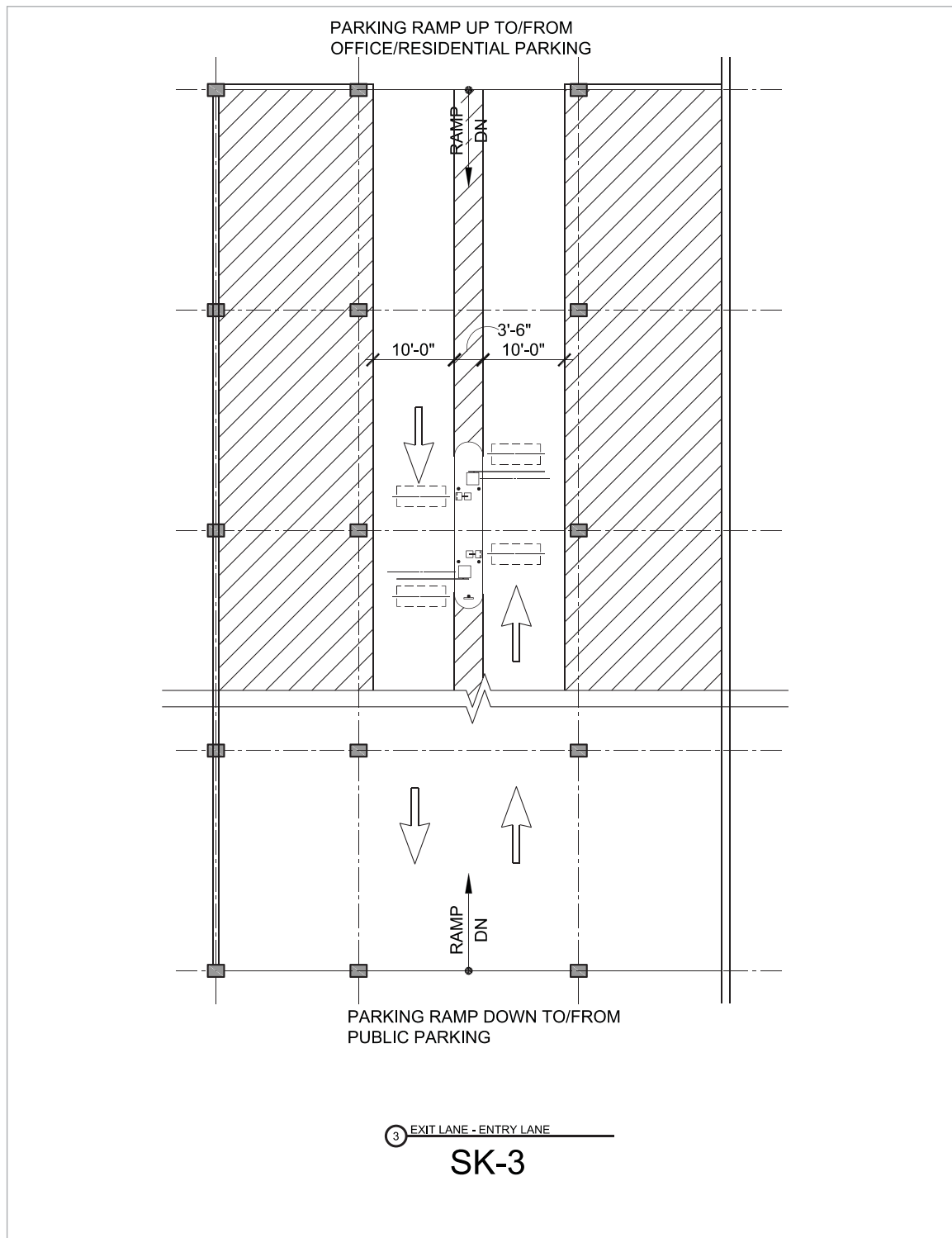


CHAPTER 5 – PARKING MANAGEMENT PLAN

2. Parking Study



2. Parking Study





MEMORANDUM

BLOCK 105 PARKING EQUIPMENT/OPERATIONS



PAGE 1

DATE: August 19, 2013
TO: Mike Schmidt
COMPANY: Henneman Engineering, Inc.
ADDRESS: 1232 Fourier Drive, Suite 101
CITY/STATE: Madison, WI 53717
CC:
HARD COPY TO FOLLOW: NO
FROM: Tom Hannula
SUBJECT: Block 105 Parking Equipment/Operations

Walker Parking Consultants
505 Davis Road
Elgin, IL 60123

Voice: 847.697.2640
Fax: 847.697.7439
www.walkerparking.com

Mike,

As a follow up to our telephone conversation we developed the attached preliminary opinion of methodology for the Parking Access and Revenue Control System (PARCS) for the Block 105 Parking Structure. Note that we have not yet had the opportunity to meet and discuss the operation of the parking structure with the Journeyman Group and Owner so the methodology and PARCS system may change. We have included preliminary information assuming public parking on the lower level and office/residential parking on the upper levels.

At this time, we have not included any validation system with the PARCS system.

Below is a brief outline of the proposed operational methodology and associated technologies available. After you've had a chance for review, let me know if there are any revisions to the proposed methodologies.

I. OPTIONS –

A. Transient, Public Parkers

Cashiered/Pay in Lane

Arriving parkers take a parking ticket on entry and pay at exit. Exit payment may be made to a cashiered booth or to an automated pay-in-lane machine. Both the manned cashier station and pay-in-lane machine can accept payment via cash, credit or debit. Both systems result in slower throughput at exit due to transaction time with either the attendant or pay-in-lane machine. Transaction time typically allows throughput that ranges from 80 to 100 vehicles per hour. Additionally, pay in lane machines currently dispense change in coins only and cannot dispense dollar bills for change (e.g. customer pays a \$3.00 rate with a \$10 bill, receives seven \$1 coins for change).



MEMORANDUM

BLOCK 105 PARKING EQUIPMENT/OPERATIONS



PAGE 2

Pay on Foot

Arriving parkers take a ticket from an entry machine. The parker keeps the ticket with them and prior to exiting the facility, pays for parking at an automated payment machine. Payment machines are typically located within stair/elevator tower lobbies or other centralized locations. Once the payment is made to the machine, the ticket is returned to the parker for use at exit. At the exit, the parker inserts the paid ticket into an exit machine and is allowed to exit if payment is satisfied. The automated payment machine accepts payments via cash, credit or debit card; validation or chaser tickets can also be used at the point of sale.

Typically, facilities configured for pay-on-foot provide an option to bypass the automated payment machine and pay with either a credit or debit card at the exit machine. In these instances, the parker inserts the unpaid ticket into the exit machine and then is prompted to pay via credit or debit card before being allowed to exit the facility. Throughput at exit using a pay on foot system is faster than cashed or pay in lane and transaction time typically allows throughput that ranges from 325 to 350 vehicles per hour.

B. Revenue and Access Control Options – Regular Monthly Parkers (Contract, Permit, Leased)

Proximity Card

Regular monthly parkers are issued an identification card for use to enter and exit a facility. At both entry and exit the parker is required to swipe or scan their credential at a card reader for access/exit.

Automatic Vehicle Identification (AVI)

Regular parkers are issued an identification tag (transponder) to be placed in or on their vehicle. Upon entry and exit a scanner or reader identifies the tag and the system allows access/exit to valid credentials without requiring the parker to physically scan the credential.

Payments for monthly parking are typically made on a monthly basis by cash, credit or debit. These systems can also be configured to allow on-line payments through Owner's web site.

C. Revenue and Access Control Enhancement Options

Parking Count Monitoring Systems

Parking count monitoring systems utilize loop counters in the entrance and exit lanes that allow the Facility Management System (FMS) to track vehicles as they enter and exit the facility. In turn, a count panel on the FMS is updated with the number of available parking spaces. Typically, the system is used to control the "Lot Full" sign, which is located at the entrance to the facility. Similar loop counters can also be installed at various points throughout the facility to allow parkers to observe the number of spaces available on a particular level or within a particular area. These systems can assist parkers to find available spaces more efficiently.



MEMORANDUM

BLOCK 105 PARKING EQUIPMENT/OPERATIONS



PAGE 3

Parking Guidance Systems

Parking Guidance Systems (PGS) are similar to count monitoring systems with the exception that with PGS, individual stalls are monitored for availability. Typically, this system consists of a monitoring device at each parking space that identifies if a vehicle is present or not. A red/green indicator light is positioned over each stall and used to notify users of an available or occupied space. PGS can also incorporate space availability signage to assist parkers, similar to the parking count monitoring system described above.

D. Miscellaneous

Lot Full Sign

Lot full signs shall be single message LED and will be installed at garage entrance: The sign shall be activated automatically or manually by FMS.

Safety Gate

Gate system shall have safe guards to ensure that gates do not lower onto any vehicle or person regardless of size. Gate shall provide method of rising prior to contact with anything under gate arm, without causing damage or injury. Control gates, shall meet the following requirements independently and in concert with FMS.

Operational Description for Gated Entry and Exit Lanes: As a vehicle pulls into a lane, it is detected by inductive loops and directional vehicle detector. A vehicle shall first be detected by Loop A, then by Loop B, and then by Loops A and B simultaneously, for any transaction (entrance/exit validation) to be processed. Upon satisfactory completion of each transaction, gate shall automatically open. After vehicle has passed over detector Loop C, gate shall automatically close. Circuitry shall be such that gate has closed after preceding transaction before system shall accept transaction of another vehicle in same lane.

Gates shall provide an effective one-way barrier to vehicles in entrance and exit lanes. Barrier arms shall retract quickly in a vertical plane on command signal and return to lower position upon signal from detector beyond gate location. Gate shall have a 10-foot wooden barrier arm, employing breakaway design that can be easily and inexpensively replaced when broken. Height of gate arm shall be approximately 36 inches from drive level when in DOWN position. Articulating arms shall be provided in areas of limited headroom.





MEMORANDUM

BLOCK 105 PARKING EQUIPMENT/OPERATIONS



PAGE 4

II. RECOMMENDATIONS - PRELIMINARY METHODOLOGY

As previously mentioned we have not yet had a detailed discussion on the proposed PARCS methodology for the parking structure; however, we have assumed the following PARCS will be used at each of the entrance and exit locations:

East Wilson Street Plan:

Entrance Lane Equipment

- One parking gate
- Three detector loops
- One counter system
- One proximity card reader
- One ticket dispenser
- One lot full sign
- One intercom

Reversible Lane Equipment

- Two parking gates
- Six detector loops
- Two counter systems
- Two proximity card readers
- Two intercoms
- One lot full sign
- One cashier booth (accessible)
- One exit station (credit)

Exit Lane Equipment

- One parking gate
- Three detector loops
- One counter system
- One proximity card reader
- One intercom
- One cashier booth (accessible)
- One pay-in-lane station (cash/credit for after hours)

East Doty Street Plan:

Entrance Lane Equipment

- One parking gate
- Three detector loops
- One counter system
- One proximity card reader
- One ticket dispenser
- One lot full sign
- One intercom



MEMORANDUM

BLOCK 105 PARKING EQUIPMENT/OPERATIONS



PAGE 5

Reversible Lane Equipment

- Two parking gates
- Six detector loops
- Two counter systems
- Two proximity card readers
- Two intercoms
- One Lot Full sign
- One exit station (credit)

Exit Lane Equipment

- One Parking gate
- Three detector loops
- One counter system
- One proximity card reader
- One pay-in-lane machine (cash/credit)
- One intercom
- One cashier booth (accessible)

Interior Residential/Office Entrance/Exit:

Entrance Lane Equipment

- One parking gate
- Three detector loops
- One counter system
- One proximity card reader
- One intercom

Exit Lane Equipment

- One Parking gate
- Three detector loops
- One counter system
- One proximity card reader
- One intercom

Pay-on-Foot Stations

- Pay-on-foot stations shall be located in all ground level stair/elevator tower lobbies which have pedestrian entrances.



RFP REQUIREMENT

A bicycle center management plan.

BICYCLE CENTER PLAN

Trek Bicycles has designed bicycle store environments and business operating processes for more than 300 stores. Trek currently owns and operates 2 Madison area bicycle stores (doing business as Trek Bicycle Stores of Madison).

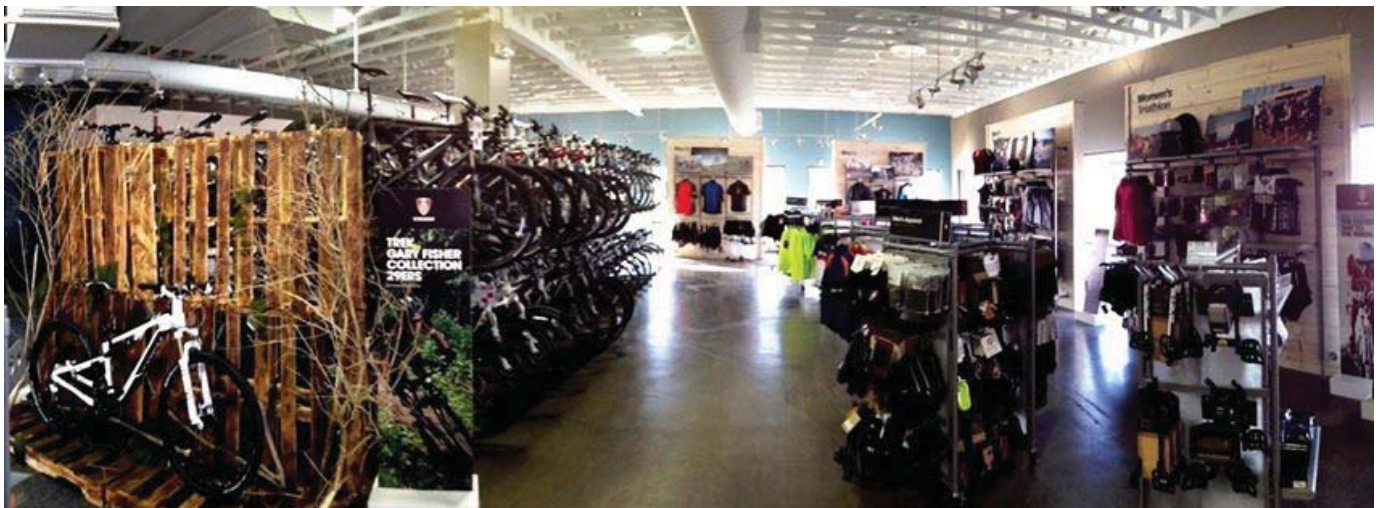
Upon review of the City of Madison master plan and the Kimley-Horn market study, we propose Trek Bicycles will operate the proposed bicycle center at Judge Doyle Square.

Trek supports the following amenity ideas:

1. Secured indoor bicycle parking for +/- 75 bikes with 24/7 access for members / automated
2. Private shower, restrooms, and personal locker facilities for bicycle commuter members / automated
3. Self-service bicycle wash station for bicycle commuter members / automated
4. Public bicycle share station using the existing Madison B-Cycle system in City of Madison right of way
5. Bicycle retail sales operation doing business as and operated by the Trek Bicycle Store
6. Public bicycle information center including bike routes, points of interest, rules, and events
7. Madison Metro Transit System already uses bike racks to support bikes on buses
8. Second / expansion phase opportunity

There should be two parts to the business, each suited to operators core competency:

1. Unstaffed bike parking area maintained by City of Madison, branded “Madison Bicycle Center” or similar
 - a. Showers / lockers / bike wash area- automated for members 24/7 with security monitoring
 - b. Secured exterior entrance for members with RFID card / swipecard (could share with B-Cycle)
 - c. Cable / padlock system for sale in the bicycle retail store (and vending machine?) or bring-your-own
 - d. Self-serve automated car wash style bike wash system
 - e. Membership sign-up online, in store, (and at kiosk?) or Madison B-Cycle member add-on
 - f. Access to retail store during retail business hours from within the bike parking area using RFID card
 - g. City of Madison maintains cleanliness and stocks shower / restroom / bike wash supplies





- Expenses paid by the City of Madison to include bike parking area and the following but not limited to:

- The bicycle center is an enhancement to the project for which the city will pay for the construction of the 3000 square foot space and have it built out to meet the needs of the tenant to make it a viable opportunity for the vendor. The tenant would lease this from the city and Trek as expressed an interest in being the tenant if needs are met.





1. Hotel Room Block Description

RFP REQUIREMENT

A description of the hotel room block for Monona Terrace and the key provisions of the room set-aside, including any impact of the phasing of the hotel(s) on the room block availability. The 250 room block is essential for the new hotel(s) to induce demand for the market and the RFP response must specifically state how the minimum 250 room block will be provided and whether there is any phasing involved. In addition to the room block, the RFP must:

- Identify the national affiliation (hotel flag) and the national sales force reservation system for the hotel(s)
- Provide a description of the service level of the hotel(s)
- Describe the rationale for the planned meeting spaces in the hotel including an analysis of how this complement/compete with Monona Terrace
- If there are two hotels proposed, specifically describe how the sales/booking process and operations will be coordinated

In addition, if the history reflects that the room nights utilized by the Event Planner are less than 80 percent of the Room Block Commitment, the request may be modified to reflect a more realistic room block size.

ROOM BLOCK COMMITMENTS

Within five business days after receipt of a Room Block Request, the Hotel will provide a Room Block Commitment, provided that certain reasonable Hotel requirements are met. Each Room Block Commitment will include single and double occupancy rates for the Event. A provision will be included that permits the Hotel Operator to increase the rate by up to eight percent per year in order to take advantage of rising rates in the market place.

ACCEPTANCE OF ROOM BLOCK COMMITMENT

If an outstanding Room Block Commitment is not accepted by an Event Planner within 60 days after its issuance, the Room Block Commitment will be considered withdrawn. However, if during the 60-day period the Event Planner requests rates lower than those included in a Room Block Commitment, the Hotel Operator may accept alternative rates. If the Hotel Operator accepts new rates, the Hotel Operator will submit a new Room Block Commitment with the new agreed upon room rates to be accepted by the Event Planner.

HOTEL ROOM BLOCK

PHASING

There will be no phasing for the room set-aside for the new Hotel.

ROOM BLOCK

The Hotel Operator will be able to reserve 250 guest rooms within the Hotel for Required Room Block Days for use by Meeting and Event Planners.

ROOM BLOCK REQUESTS

Meeting and Event Planners will submit a Room Block Request along with supporting information documenting the history of the group's room block events for the most recent two year period. If the history reflects that the Event Planner has a history of causing property damage or having poor credit, the Hotel Operator may refuse to issue a Room Block Commitment.

BOOKING

The Hotel Operator will reserve the rooms included in a Room Block Commitment for purchase by persons attending the applicable Event until the date specified in the Room Block Contract or if date is specified, then until 30 days preceding the first scheduled day of the Event, after which time any unbooked rooms may be sold at any rate to any person the Hotel Operator selects.

The Hotel Operator will apply its customary booking policies to the Event Room Block, including advance deposits and cancellation policies. This date, 30 days prior to the first required room block day, known as the "Cut-Off date", will be available for the event planner to sell rooms contracted. After Cut off date, the hotel will determine if can offer Event Planners rooms, and the rate at which they would be offered.





2. Reservation System, Service Level, Meeting Spaces and Booking Process

HOTEL'S RIGHT TO COMMIT

The Hotel Operator will have the unrestricted right to commit to up to 100 rooms within the Hotel on any given date to the Hotel's commercial guests. In addition, the Hotel Operator will have the right to commit to a block of any number of rooms within the Hotel, so long as the Hotel Operator will be able to fulfill its Room Block Commitment obligations.

PERIODIC RENOVATION OF HOTEL

The Hotel Operator may decrease the number of rooms in a Room Block Commitment by 20% during major renovations, provided the Hotel Operator gives at least one year advance written notice to the Ownership Group and Convention Center Manager. Reasonable efforts will be made to complete the renovations quickly as possible and to accommodate customer requirements for events at the Convention Center.

NATIONAL AFFILIATION & RESERVATION SYSTEM

For this project the hotel will be a full-service Marriott Hotel. The national sales force reservation system that will be used is MARSHA, a Marriott proprietary global reservation system, fully integrated with Marriott revenue management, eCommerce, customer loyalty and property management systems, as well as the Global Distribution System (GDS) used by travel agents and systems of e-Intermediaries. MARSHA provides low costs per transaction, high contribution to occupancy, and high revenues generated per call. All reservations from call centers, Marriott.com, GDS or other electronic channels come through the same centralized reservation system, providing significant efficiencies.

HOTEL SERVICE LEVEL

The Marriott Hotel will be a full-service hotel with below grade parking to accommodate the need of the hotel and City fleet vehicles. The hotel is within easy walking distance of the Monona Terrace Community and Convention Center and will provide an additional 250

room block for the Monona Terrace to grow its book business.

The hotel facilities will include typical full-service Marriott amenities: a 3-meal restaurant, a coffee bar and a lobby lounge, a concierge lounge, a fitness center, indoor pool, and a business center.

MEETING SPACES

Meeting space will include a 10,400 square foot Ballroom and 8,200 square feet of flexible breakout space. We believe this amount and allocation of space will be ideal to address convention and conference needs and complement more than compete with Monona Terrace; and we agree **"most significant need is for additional break-out meeting rooms"** as stated in the RFQ and further analysis of the Monona Terrace program.

The meeting space as proposed will compliment and address a need of the Hilton Monona Terrace and with the common management by Marcus of both hotels will allow the City to more seamlessly market events requiring the combined room block of both hotels for a total of 400 rooms.

The combination of new first class rooms, the ability of the meeting planners to leverage the premier Marriott brand and the convenience of convenient access to the Convention Center will certainly enhance the Convention Center capture for these attractive larger events.

SALES/BOOKING PROCESS

Marcus Hotels is sole owner and manager of the Hilton Monona Terrace and will be the management company for the new Marriott hotel. A dedicated sales effort will come from a combined sales team that will represent both hotels. The group booking process will be determined by customer preference and logistics. Since the Hilton has less than 3,500 square feet of meeting space, the proposed Marriott would have much more space and thus receive the lion's share of group bookings requiring substantial function space. Each sales manager will be able to book either hotel or both hotels in one contract. Business travel customers choice would most often be dictated by availability and brand loyalty.





3. Marriott Marketing Plan

MARRIOTT HOTELS – “TRAVEL BRILLIANTLY”

Marriott Hotels recently retooled its advertising and branding to attract younger travelers. With a new tagline, Travel Brilliantly, and a significant marketing push that includes television and online advertising, the Marriott brand is well positioned to accomplish this goal. In addition, Marriott has put an emphasis on leveraging technology and embracing digital distribution; it will be the first hotel brand to enable mobile check-in at all its location later this year.

Marriott Rewards is frequently named as one of the Best Hotel Rewards programs worldwide and recently announced a partnership with United Airline’s Mileage Plus program. The strength of this program will provide an immediate and substantial customer base since the downtown area offers no other Marriott brand alternatives.

INTRODUCTION

WHO	Full Service single branded Marriott Hotel in partnership with the Journeyman Group
WHAT	352 key full-service Marriott Hotel
WHERE	To be located in Judge Doyle Square, just a block from the Monona Terrace Convention Center and two blocks from the Capital building.
WHY	The Marriott brand brings to the table one of the strongest hotel brands and largest loyalty programs in the world.

TARGET MARKETS

The Marriott Hotel will target both business transient and leisure customers at a four star price point. The brand’s loyalty program makes it a favorite with business travelers and their meeting space will also appeal to group business and social catering weddings on weekends. There will be a strong regional draw from Chicago, Milwaukee and Minneapolis. We expect a mix of approximately 60% transient and 40% group.

- **Leisure Weekend** – will be attracted to the location nearby Lake Monona, the Capital, shopping and many restaurants.
- **Government** – Location will be convenient to many government buildings surrounding the square.
- **Group** – After the Hilton Madison Monona Terrace, the Marriott Hotel will be in closest proximity to the Monona Terrace Convention Center. The Marriott will have more meeting space, giving the hotel the opportunity to fill hotel rooms with group business in off-peak seasons and during times with citywide conventions.
- **Business Travelers** – Lacking Marriott brand options downtown, the loyalty program members will be attracted to the location and new facilities. We expect strong corporate and business presence in Madison to continue to fuel business traveler growth into this market.
- We expect that the new Marriott branding will resonate well in this young, dynamic market.

MARKETING STRATEGIES

1. **Leverage Entrenched Sales Force** – The two sales teams for the Hilton Madison Monona Terrace and Sheraton Madison were combined several years ago to create one large selling team. Not only did this strategy enable more segment focus and specialization for each salesperson, but it also gave customers a single point of contact for booking two hotels. We’ve found this to be an extremely effective strategy, as our sales team has grown increasingly close to key customers as they are able to spend more time with them and better develop one-on-one relationships. The Marriott Hotel will greatly benefit from being sold via our Combined Madison sales team in the following ways
 - With a sales team already in place, the hotel will avoid the painful ramp-up time of hiring and adjusting new sales staff to the market. We’ll hit the ground running.





3. Marriott Marketing Plan

- The Marriott will benefit from the trust already in place and strong, long-held relationships.
 - The hotel will gain a much stronger team than it could afford by hiring its own sales force.
2. **Leverage Monona Terrace Existing Customers and Contracts** – MHR existing contracts for Monona Terrace customers will be extended to include Marriott Hotel rates. Without requiring new contracts or renegotiation, competitive room block rates will be extended to these customers, immediately creating new sales opportunities.
3. **Digital Presence** – Travel consumers do a great deal of online research and purchase most of their rooms via the internet, often executing 8 or more searches on different sites prior to purchasing a hotel room. Increasingly mobile devices are being used for reservations, and often for the same day as arrival. For this reason, a strong digital strategy is needed that will include these components:
- Website with mobile-version website and booking engine
 - **Search marketing strategy** – capturing as much organic (natural search) business as possible, but complemented by paid search—especially to launch the new product
 - Online Travel agencies – we will work with online travel agencies to quickly grow our digital footprint of distribution, with the goal of driving as much direct business in the long-run as possible.
 - **Email** – we will work with existing partners in the Madison community to quickly raise awareness via both leisure and group email lists; Marriott's existing customer database will also be tapped into for email introduction and ongoing loyalty promotions during need times
- **Social Media** – working with local partners in the Madison community, we will utilize Facebook and Twitter to outreach into the community and raise awareness of the brand; customers will be enticed to engage via social media via offers and information about the local scene.
4. **Community** – The Hilton Madison Monona Terrace and Sheraton Madison both have long-standing relationships within the community that the Marriott Madison will be able to tap into. Our Director of Sales and Marketing will work directly with contacts at the University and State government to facilitate access to existing and new business opportunities.
5. **Brand Marketing** – The Marriott has a strong ecommerce program that will afford brand marketing opportunities, and especially digital marketing that includes paid search, display advertising and email marketing. These are the opportunities that will be especially important:
- Website maintenance and search engine optimization
 - Loyalty marketing
 - Paid search and retargeting campaigns
6. **Brand Alternatives** – possibility of two brands: Based on the lower overall room count it does not make sense to offer two different brand offerings this close to the convention center. Upon high demand days, demand generated from meetings at the center, a lower tier, select brand would capture an overall lower ADR than a full service option. Based on this hotels location and amount of meeting space a full service, one brand option will generate higher overall returns and a more integrated operation than two brands.





CHAPTER 8 – CONSTRUCTION BUDGET

CONSTRUCTION BUDGET – SUMMARY							
	Marriott Hotel	City Fleet Parking	Retail/Office	Residential	Bicycle Center	City Garage	TOTALS
Construction	\$ 54,039,128	\$ 1,220,119	\$ 12,110,429	\$ 22,332,427	\$ 590,616	\$ 18,760,035	\$ 109,052,754
Taxes, Fees & Insurance	1,596,350	67,121	393,061	–	–	–	2,060,531
Contingency – Construction	1,669,064	38,617	372,225	–	17,718	562,801	2,663,426
General Contractor Fee	2,292,182	53,034	515,309	–	24,333	772,913	3,657,771
Payment & Performance Bond	429,586	9,940	61,818	133,968	4,561	144,855	784,728
TOTAL	\$ 60,026,310	\$ 1,388,831	\$ 13,459,842	\$ 22,466,395	\$ 637,228	\$ 20,240,604	\$ 118,219,210
	\$ 212.78 /SF	\$ 88.16 /SF	\$ 210.74 /SF	\$ 136.51 /SF	\$ 212.41 /SF	\$ 96.54 /SF	



CHAPTER 8 – CONSTRUCTION BUDGET

	Marriott Hotel	City Fleet Parking	Retail/Office	Residential	Bicycle Center	City Garage	Project Totals
Net Area (Conditioned)	282,100 SF	0 SF	63,870 SF	164,576 SF	3,000 SF	0 SF	513,546 SF
Garage Area	92,647 SF	15,753 SF	57,280 SF	70,390 SF	3,159 SF	209,668 SF	458,688 SF
Gross Square Feet	374,647 SF	15,753 SF	131,070 SF	234,926 SF	6,150 SF	209,668 SF	972,214 SF
Parking	192 Spcs	40 Spcs	63,870 Spcs	201 Spcs	9 Spcs	598 Spcs	1,275 Spcs
Unit	332 Keys	40 Spcs	63,870 SF	134 Units	3,000 SF		

22.00	MO	\$	1,754,325	10.00	MO	\$	707,463	12.00	MO	\$	981,792		\$	4,513,262
22.00	MO	\$	77,600	10.00	MO	\$	35,273	12.00	MO	\$	43,428		\$	199,638
22.00	MO	\$	100,000	10.00	MO	\$	45,455	12.00	MO	\$	50,000		\$	251,904
22.00	MO	\$	41,669	10.00	MO	\$	17,920	12.00	MO	\$	20,835		\$	107,200
22.00	MO	\$	96,150	10.00	MO	\$	25,623	12.00	MO	\$	31,424		\$	144,435
374,647.27	SF	\$	41,554	131,070.00	SF	\$	14,678	234,926.00	SF	\$	23,479		\$	108,872
374,647.27	SF	\$	41,554	131,070.00	SF	\$	14,678	234,926.00	SF	\$	23,479		\$	108,872
22.00	MO	\$	22,750	10.00	MO	\$	957	12.00	MO	\$	12,732		\$	58,528
374,647.27	LF	\$	3,379	131,070.00	LF	\$	28,117	234,926.00	LF	\$	44,878		\$	258,558
22.00	MO	\$	295,559	10.00	MO	\$	129,800	12.00	MO	\$	142,760		\$	734,644
22.00	MO	\$	17,000	10.00	MO	\$	7,500	12.00	MO	\$	8,500		\$	42,000
22.00	MO	\$	35,100	10.00	MO	\$	15,950	12.00	MO	\$	19,443		\$	98,320
374,647.27	SF	\$	454,674	131,070.00	SF	\$	159,126	234,926.00	SF	\$	294,566		\$	1,486,402
374,647.27	SF	\$	415,477	131,070.00	SF	\$	145,954	234,926.00	SF	\$	222,818		\$	1,078,187
1.00	LS	\$	4,501,181	1.00	LS	\$	189,261	1.00	LS	\$	2,519,045		\$	11,802,183

1.00	LS	\$	75,000	15,752.73	SF	\$	3,154	152,000.00	SF	\$	637,000		\$	715,154
1.00	LS	\$	36,232	0.04	LS	\$	1,523	45,400.00	SF	\$	20,777		\$	61,347
20,024.00	SF	\$	1,192,960	1,254.00	SF	\$	59,180	88,000.00	SF	\$	1,816,000		\$	3,039,120
50,897.00	CV	\$	1,035,552	2,113.57	CV	\$	43,542	38,000.00	CV	\$	1,408,000		\$	2,487,094
600.00	LF	\$	97,659	25.23	LF	\$	2,433	335.76	LF	\$	32,360		\$	150,145
300.00	LF	\$	17,825	12.61	LF	\$	754	168.12	LF	\$	10,032		\$	48,516
2,400.00	LF	\$	53,600	100.31	LF	\$	2,254	3,300.00	LF	\$	102,400		\$	182,744
300.00	LF	\$	35,500	13.45	LF	\$	1,510	179.09	LF	\$	20,102		\$	98,213
2,000.00	SF	\$	80,000	84.09	SF	\$	3,384	1,119.28	SF	\$	44,771		\$	297,601
1,298.00	SF	\$	50,000	54.07	SF	\$	3,650	719.70	SF	\$	48,580		\$	225,261
1,000.00	SF	\$	8,000	0.04	SF	\$	250	0.96	SF	\$	3,958		\$	15,589
688.00	LF	\$	16,570	28.09	LF	\$	709	373.84	LF	\$	9,441		\$	43,777
8,016.00	SF	\$	63,607	337.05	SF	\$	19,754	4,486.08	SF	\$	30,001		\$	136,111
8.00	EA	\$	8,566	0.34	EA	\$	1,290	4.48	EA	\$	4,794		\$	22,229
11.00	FA	\$	2,800	0.04	FA	\$	323	0.02	FA	\$	1,740		\$	7,450
		\$	2,868,625			\$	2,868,625			\$	4,266,470		\$	7,846,745

597.001	SF	\$	4,434,058	25,126.80	SF	\$	187,280	334,436.47	SF	\$	2,842,710		\$	11,908,430
1.00	LS	\$	98,467	0.04	LS	\$	4,167	0.96	LS	\$	55,330		\$	256,961
1,254.00	SF	\$	1,505,297	63.15	TN	\$	63,293	20,776.70	TN	\$	24,710		\$	1,051,291
3,847.00	LS	\$	1,678,866	15,100.00	LS	\$	70,511	315,538.13	LS	\$	867,444		\$	4,057,291
16,899.32	CV	\$	593,620	710.56	CV	\$	23,698	10,483.40	CV	\$	1,100,757		\$	4,514,028
413,826.00	SF	\$	475,858	17,400.07	SF	\$	197,182	9,457.55	CV	\$	346,668		\$	4,484,143
		\$	10,033,441			\$	421,913			\$	293,003		\$	2,267,794
		\$	10,033,441			\$	421,913			\$	6,471,487		\$	26,863,270

40,340.00	SF	\$	543,340	1,681.58	SF	\$	23,842	22,519.96	SF	\$	304,019		\$	1,067,702
79,814.00	SF	\$	1,834,276	0.00	SF	\$	-	1,310.18	SF	\$	49,511		\$	2,960,481
7,616.00	SF	\$	266,560	0.00	SF	\$	-			\$	304,019		\$	4,297,576
		\$	2,644,478		\$	22,842				\$	304,019		\$	4,297,576

100.00	TN	\$	338,116	0.00	TN	\$	-	7,834.97		\$	17,237		\$	34,712
14,000.00	LF	\$	298,150	589.05	LF	\$	1,293			\$	298,150		\$	298,150
19,400.00	SF	\$	47,552			\$	-	0.96	LS	\$	298,651		\$	47,552
3.10	LS	\$	534,005	0.23	LS	\$	120,904	771.43	LF	\$	9,462		\$	1,270,975
3,800.00	RFT	\$	703,000	159.78	FLT	\$	29,559	1,115.12	FA	\$	6,429		\$	9,462
120.00	LF	\$	22,200			\$	-	1.97		\$	224,536		\$	224,536
640.00	LF	\$	19,800			\$	-	10.51	LF	\$	8,864		\$	26,124
		\$	1,987,822			\$	30,864			\$	497,471		\$	2,484,308

1.00	LS	\$	27,527	0.23	LS	\$	6,197	0.02	SF	\$	15,293		\$	65,040
1.00	LS	\$	1,232,000	0.23	LS	\$	44,230	0.98	LS	\$	106,840		\$	1,232,000
1.00	LS	\$	16,700	0.23	LS	\$	4,234	0.68	LS	\$	33,844		\$	33,844
1.00	LS	\$	275,520	1.00	LS	\$	9,000	134.00	Units	\$	241,200		\$	525,400
		\$	17,739,865			\$	8,197.5			\$	15,293		\$	2,184,083

1.00	LS	\$	27,527	0.23	LS	\$	6,197	0.02	SF	\$	15,293		\$	65,040
1.00	LS	\$	1,232,000	0.23	LS	\$	44,230	0.98	LS	\$	106,840		\$	1,232,000
1.00	LS	\$	16,700	0.23	LS	\$	4,234	0.68	LS	\$	33,844		\$	33,844
1.00	LS	\$	275,520	1.00	LS	\$	9,000	134.00	Units	\$	241,200		\$	525,400
		\$	17,739,865			\$	8,197.5			\$	15,293		\$	2,184,083

CHAPTER 8 – CONSTRUCTION BUDGET

Journeyman Group



CHAPTER 8 – CONSTRUCTION BUDGET

	Marriott Hotel		City Fleet Parking		Retail/Office		Residential		Bicycle Center		City Garage		Project Totals	
FURNISHINGS														
1 Window Treatments	3,300.00 SF	\$ 8,690	13,418 SF	\$ 3,377	72,468 SF	\$ 2,039	72,468 SF	\$ 2,039	5,291 SF	\$ 916	179,000 SF	\$ 5,014		\$ 18,604
1 Residential Cabinets	3,300.00 SF	\$ 9,072			13,578.00 SF	\$ 27,156	24,472.00 SF	\$ 48,944	55.19 SF	\$ 96				\$ 85,268
		\$ 18,032		\$ 3,377		\$ 29,185	\$ 72,512	\$ 49,000	0.00 SF	\$ -		\$ 5,014	\$ 425,372	\$ 321,000
FURNISHINGS														
1 Special Purpose Rooms (Sauna)	2,000 E.A.	\$ 16,700					2,000 E.A.	\$ 16,700						\$ 33,400
1 Swimming Pool Equipment	720.00 SF	\$ 220,000					720.00 SF	\$ 220,000						\$ 440,000
1 Pool Deck	282,100.00 SF	\$ 2,000,000					164,575.00 SF	\$ 1,140,000						\$ 344,000
		\$ 2,136,700						\$ 1,140,000						\$ 344,000
SPECIAL CONSTRUCTION														
1 Traction Elevators	6.00 E.A.	\$ 1,335,500			2.00 E.A.	\$ 415,000	2.00 E.A.	\$ 415,000						\$ 2,751,260
1 Hydraulic Elevators	2.00 E.A.	\$ 175,000	0.08 E.A.	\$ 7,358							2.00 E.A.	\$ 230,000		\$ 412,358
1 Cab Finish Allowance	4.00 E.A.	\$ 72,000			1.00 E.A.	\$ 3,000	1.00 E.A.	\$ 3,000						\$ 72,000
1 Elevator Equipment Controls	120.00 E.A.	\$ 40,000					120.00 E.A.	\$ 40,000						\$ 80,000
		\$ 2,138,875						\$ 834,000						\$ 3,327,683
CONVEYING SYSTEMS														
1 Fire Protection (Holds/Garage/Recess)	374,647.27 SF	\$ 767,272	15,762.73 SF	\$ 33,102	131,070.00 SF	\$ 262,140	134.00 Unit	\$ 1,130,000	6,150.00 SF	\$ 12,300	206,668.00 SF	\$ 461,270		\$ 2,695,084
1 Plumbing-Garage	92,547.27 SF	\$ 142,850	15,762.73 SF	\$ 19,691	67,200.00 SF	\$ 33,600	70,350.00 SF	\$ 51,175	3,150.00 SF	\$ 15.19				\$ 232,765
1 Plumbing-Hotel/Retail/Office/Recess	282,100.00 SF	\$ 3,528,250			63,970.00 SF	\$ 159,675	70,340.00 Unit	\$ 670,000	3,000.00 SF	\$ 10,500				\$ 4,266,425
1 HVAC-Garage/Recess	282,100.00 SF	\$ 4,258,700	15,762.73 SF	\$ 39,392	63,970.00 SF	\$ 162,965	70,340.00 Unit	\$ 670,000	3,000.00 SF	\$ 10,500	206,668.00 SF	\$ 471,753		\$ 5,166,495
		\$ 9,537,622		\$ 92,175		\$ 1,062,310		\$ 3,084,513		\$ 53,757		\$ 933,023		\$ 14,763,398
MECHANICAL														
1 Electrical-Garage	92,547.27 SF	\$ 398,839	15,762.73 SF	\$ 55,135	67,200.00 SF	\$ 168,000	70,350.00 SF	\$ 175,675	3,150.00 SF	\$ 7,675	206,668.00 SF	\$ 576,587		\$ 1,383,311
1 Electrical-Hotel/Retail/Office/Recess	282,100.00 SF	\$ 4,090,450	0.00 SF	\$ -	63,970.00 SF	\$ 479,025	134.00 Unit	\$ 1,179,200	3,000.00 SF	\$ 22,500				\$ 5,771,175
1 Low Voltage Data/Cabling	352.00 Key	\$ 616,000	0.00 SF	\$ -	63,970.00 SF	\$ 31,935	134.00 Unit	\$ 53,600	3,000.00 SF	\$ 1,500				\$ 703,035
		\$ 5,105,289		\$ 55,135		\$ 678,960		\$ 1,436,072		\$ 31,675		\$ 576,587		\$ 7,867,021
ELECTRICAL														
1 Allowances					83,432.00 SF	\$ 1,788,360	0.00 SF	\$ -	3,000.00 SF	\$ 108,000	0.00 SF	\$ -		\$ 1,893,360
1 Allowances						\$ 1,788,360		\$ -		\$ 108,000		\$ -		\$ 1,893,360
ALLOWANCES														
Subtotal (Divs 01 to 17)		\$ 54,033,126				\$ 12,110,423		\$ 22,332,427		\$ 350,616		\$ 18,760,033		\$ 100,062,724
Sales Tax						2.35%				0.00%		0.00%		\$ 777,983
Permits and Fees						1.30%				0.00%		0.00%		\$ 549,706
Liability Insurance						1.20%				0.00%		0.00%		\$ 569,515
Builder's Risk Insurance						0.65%				0.00%		0.00%		\$ 224,347
Subtotal		\$ 55,835,476				\$ 12,907,400		\$ 22,332,427		\$ 350,616		\$ 18,760,033		\$ 111,152,285
Contingency-Construction						3.00%				3.00%		3.00%		\$ 2,663,426
Subtotal		\$ 57,904,442				\$ 13,258,874		\$ 22,332,427		\$ 350,616		\$ 19,322,833		\$ 113,767,711
Fee						4.00%				4.00%		4.00%		\$ 3,657,771
Subtotal		\$ 2,292,162				\$ 533,301		\$ -						\$ 117,424,483
Payment & Performance Bond								\$ 13,368,023		\$ 832,067				\$ 764,726
Total		\$ 60,026,310				\$ 13,449,942		\$ 22,166,395		\$ 136.91 /SF		\$ 212.41 /SF		\$ 118,219,210
		\$ 212.78 /SF				\$ 88.16 /SF		\$ 136.91 /SF		\$ 33.847 /Spc		\$ 33.847 /Spc		
		\$ 170,529 /Key				\$ 34,721 /Spc		\$ 167,660 /Unit						



RFP REQUIREMENT

A development phasing plan including a plan to maintain the public parking supply during construction.

CONCURRENT DEVELOPMENT

Our current phasing approach to the Judge Doyle Square Project has the developments on both Block 88 and Block 105 being concurrent rather than staggered as presented in our RFQ Response. It is our belief that the public and private goals of the Project would be subject to considerable uncertainty due to financial and operation concerns.

1. If the Block 105 developments were delayed for one (1) year to allow for the new Block 88 parking to partially replace the current East Garage, financial commitments would correspondingly be delayed which could render the Block 105 developments to not be feasible. A 1% increase to mortgage interest rates would impact the Block 105 Residential private equity returns (21.8% to 13.0%) and debt coverage (1.07 to 0.97) with similar impacts to the Retail/Office components, rendering these private elements financially as not feasible without greater Public support, estimated at a level of \$2.2M+ for the residential component alone.
2. If the completion of these JDS Block 105 retail, office and residential developments are not assured, as they expected to be a stable source of hotel room and F&B demand, would certainly have a negative impact on the hotel as now proposed. It is likely that without these companion Block 105 developments the potential loss to the hotel would be both short and long term, likely in the range of \$10 million over a 20-year period if the hotel program is not adjusted to account for this reduced demand.
3. Subjecting the hotel's initial year of operation to disruption from a staggered construction on Block

105 and void of the markets and attractiveness of the completed Project offers further risk. If these disruptions and lack of markets were found to reduce projected hotel occupancy by just 10% in the hotel's first year it would equate to a loss of ~\$900K and could further extend the period for the hotel to reach stabilization with a loss of similar magnitude.

PARKING SUPPLY

As a consequence to the City of a concurrent rather than staggered development the public parking supply will be impacted from the loss of the East Garage for a period of 12.5 months (9/14 to 10/15). For this period we intend to work with and assist the City in developing a plan to accommodate the needs for the displaced parking during this period. Further, to assure that the neighborhood parking supply is not further impacted by workman use, we will implement provisions to identify remote parking for this added demand, and provide shuttle bus service to these designated parking areas for use by construction personnel.

PHASING

Phasing of the Project warrants further discussion that we anticipate will result in the deliveries shown on the following page.





CHAPTER 9 – DEVELOPMENT PHASING PLAN

1. Phasing Plan

Phase	Description	Start	Completion	Explanation
Phase 1A	Block 88 Parking	September 2014	October 2015	The initial phase of construction on Block 88 will involve demolition of the Madison Municipal Building (MMB) loading dock and construction of the below grade garage on Block 88. Given that construction of the Block 105 garage (Phase 2A) will be concurrent with that of the Block 88 garage it is not likely this Phase upon completion will be open for public use, but it is expected that the dock and City Fleet parking will be available on or soon after October 2015. It is expected that Pinckney Street will be closed at this initial stage and remain closed until the completion of Phase 2B (July 2016).
Phase 1B	Block 88 Hotel	May 2015	November 2016	Construction of the hotel on Block 88 will follow the garage construction with an expected opening date of November 2016.
Phase 2A	Block 105 Garage Below Grade	September 2014	January 2016	Demolition of the City's East Parking Garage on Block 105 will commence concurrently with activities on Block 88. This phase is expected to take 12+ months from the date of its commencement with a projected January 2016 completion. To accommodate early parking occupancy of the City garage portion of Block 105, careful consideration to the means of vehicle and pedestrian access while construction of the office and residential elements of the project above are in progress.
Phase 2B	Retail/Office Above Grade Garage	May 2015	July 2016	Completion of the structural portions of the above grade parking, retail, and office shell shall progress in sequence following the work of Phase 2A with completion and occupancy of the Retail and Office in July 2016. It is expected that completion and occupancy of the retail and office shell and above grade garage will coincide with the reopening of Pinckney Street (July 2016).
Phase 2C	Residential	August 2015	November 2016	The Project's final phase will consist of completion and occupancy of the residential elements (November 2016).



CHAPTER 9 – DEVELOPMENT PHASING PLAN

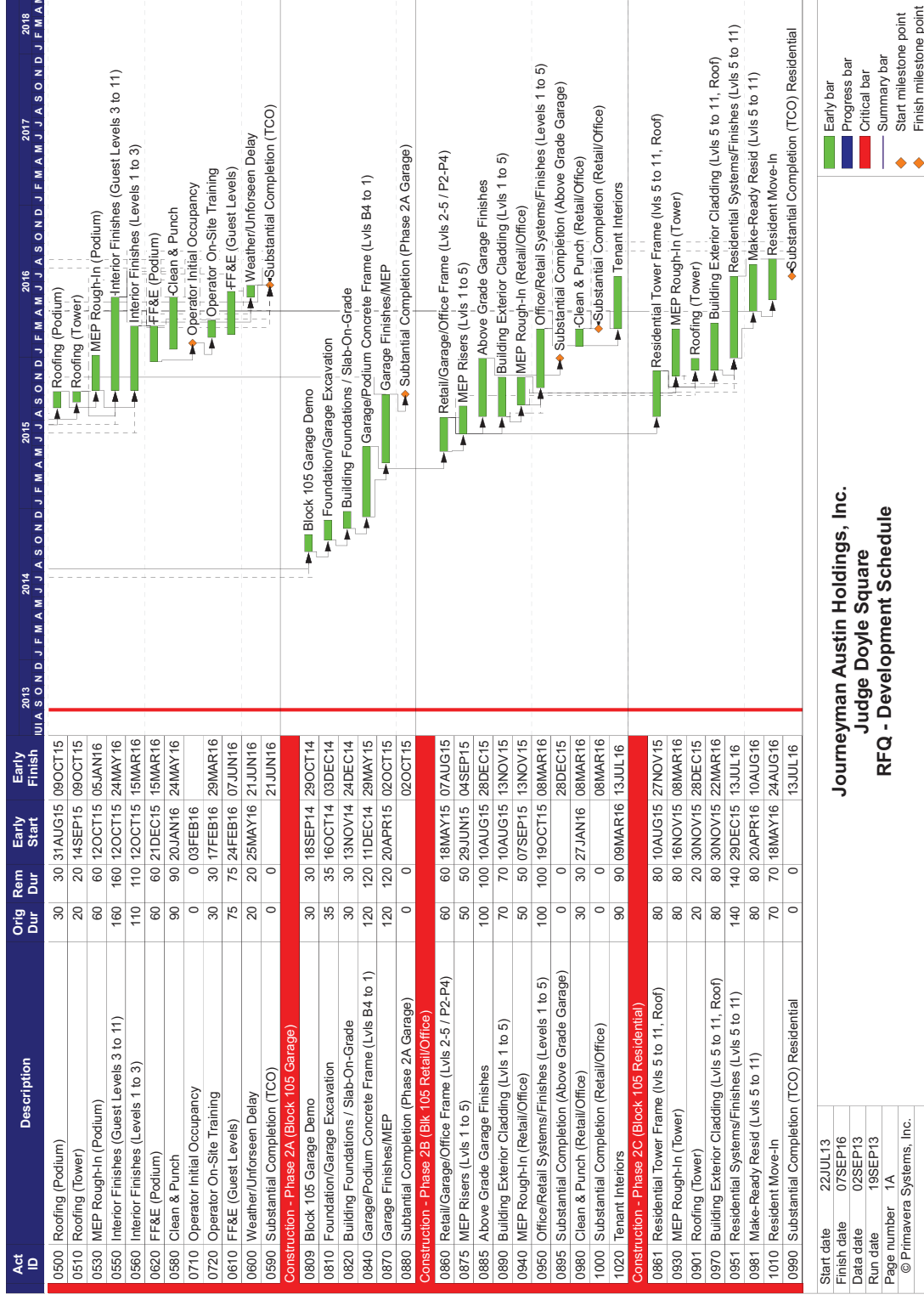
2. Construction Phasing Schedule

Act ID	Description	Orig Dur	Rem Dur	Early Start	Early Finish	2013	2014	2015	2016	2017	2018
Legal/Project Milestones											
0100	Issue RFP	0	0	22JUL13							
0150	Receive/Review RFP Responses	45	45	30SEP13	29NOV13						
0160	Council Resolution to select Developer	0	0	16DEC13							
0170	Council Action on Developer Selection	0	0	15JAN14							
0180	Negotiate Definitive Agreements	70	70	15JAN14	22APR14						
0211	Urban Design Commission Review/Approval	70	70	26FEB14	03JUN14						
0190	Financial Closing	10	10	23APR14	08MAY14						
0280	Demo Permit Review/Approval	20	20	04JUN14	01JUL14						
0192	City Vacates Blocks 88/105 Garage	15	15	28AUG14	17SEP14						
0203	Block 88 Garage Complete	0	0		11SEP15						
0193	Block 105 Garage Complete (Public Portion)	0	0		02OCT15						
0223	Resident Move-In	70	70	01JUN16	07SEP16						
0233	Block 105 Retail/Office Tenant Move-In	60	60	01JUN16	24AUG16						
0730	Soft Opening - Hotel	0	0								
0740	Grand Opening - Hotel	0	0		21JUN16						
Architectural and Engineering											
0220	Prepare RFP Response	50	21	22JUL13	30SEP13						
0200	Prepare Blocks 88/105 "Preliminary Drawings"	30	30	15JAN14	25FEB14						
0210	Schematic Design	30	30	23APR14	03JUN14						
0230	Design Development	50	50	04JUN14	13AUG14						
0240	CD Bid Pkg A (Demo/Fdns/Garage)	40	40	04JUN14	30JUL14						
0250	CD Pkg B (Bldg Shell/Envelope)	40	40	31JUL14	24SEP14						
0270	CD Pkg D (Interior Design/FF&E)	40	40	14AUG14	08OCT14						
0260	CD Pkg C (Bldg MEP/Finishes)	50	50	25SEP14	03DEC14						
Pre-Construction											
0320	Bid/Award Phase I - Pkg A	20	20	31JUL14	27AUG14						
0340	Bid/Award Phase I - Pkg B	20	20	25SEP14	22OCT14						
0350	Bid/Award Phase I - Pkg C	20	20	06NOV14	03DEC14						
Construction - Phase 1A (Block 88 Garage)											
0400	Site Mobilization / Controls	20	20	28AUG14	24SEP14						
0410	Foundation/Garage Excavation	40	40	11SEP14	06NOV14						
0430	Building Foundations	25	25	06NOV14	10DEC14						
0440	Garage/Podium Concrete Frame (Lvls B4 to 2)	100	100	18DEC14	08MAY15						
0470	Garage Finishes/MEP	100	100	27APR15	11SEP15						
0520	Substantial Completion (Phase 1A Garage)	0	0		11SEP15						
Construction - Phase 1B (Block 88 Hotel)											
0460	Hotel Tower Concrete Frame (Lvls 3 to 11, Roof)	90	90	11MAY15	11SEP15						
0475	MEP Risers	110	110	22JUN15	20NOV15						
0480	Level 2 Steel Roof Framing	40	40	06JUL15	28AUG15						
0490	Building Exterior Cladding and Glazing Systems	106	106	17AUG15	13JAN16						
0540	MEP Rough-In (Tower)	90	90	17AUG15	18DEC15						



CHAPTER 9 – DEVELOPMENT PHASING PLAN

2. Construction Schedule





RFP REQUIREMENT

Market information and data that demonstrate the appropriateness of the assumptions made within the financial plan and operating pro forma outlined below.

MARRIOTT HOTEL MARKET INFORMATION

A 10-year operating pro forma has been included within our detailed Public Private Financial Plan. This pro forma, and our market assumptions used as the basis for projections, have been developed from the considerable experience of Marcus Hotels within the Madison hospitality market and other properties of similar size in the Midwest, Marcus's experience with Marriott, our review of the past Feasibility Studies provided primarily the January 2013 Study prepared by Johnson Consulting, and our further analysis of the current competitive set.

We would agree that the Tier 1 competitive set in the market as outlined in this most recent Feasibility Study will consist of the:

- Campus Inn (74 rooms)
- Hyatt Place (151 rooms)
- Hilton Madison Monona Terrace (240 rooms)
- Best Western Plus Inn (214 rooms)
- Madison Concourse Hotel (356 rooms)

Based on our analysis of the supply and demand statistics the Tier 1 competitive set occupancy has stabilized at approximately 69% with a 2011 ADR of \$127.97. Average Daily Rate (ADR) over the last 3 years of this Study (2009 to 2011) increased at a rate of only 3.4% (1.1%/Yr.), less than would be expected to indicate the market could absorb substantially more product without significant new demand. It is expected that the new Full-Service Hotel to support the Monona Terrace will be a significant source for this needed new demand.

PROJECTION OF OCCUPANCY AND AVERAGE DAILY RATE

For this analysis we initially considered a smaller full-service hotel along with a select-service hotel. Due to flag restrictions on the available select-service products, and the strength of the available full-service products (Marriott or Westin), we have focused on the delivery of a single full-service hotel for this RFP response.

With the understanding that it is likely that a Marriott Courtyard or other select-service flag may be added to the downtown supply over the next few years along with the proposed full-service hotel convention hotel opening in late 2016, would combined increase the supply in the Tier 1 competitive set by ~46 percent. We would estimate occupancy in the set to decrease only slightly based on the belief that 50% of the supply increase will be absorbed by new demand, primarily from the increased marketability of Madison as a convention destination. The competitive set is expected to absorb the new supply for two primary reasons. The first is a flight to quality. The newer, higher-quality hotels will draw business from lesser-quality hotels. Second, the new full-service convention center hotel will provide latent demand to the Madison community meaning that demand will increase given the quality of the affiliation and the Convention Center's ability to attract more and larger group business that would otherwise have gone elsewhere. As a result, we expect group business demand in Madison will improve over the projection period.

PENETRATION RATE ANALYSIS

Occupancy penetration is the ratio of a particular property's actual room nights captured compared to its fair share in the market. Fair share is defined as the ratio of the property's number of rooms to the total rooms in the defined competitive supply. For example, if a hotel has 100 rooms and the market has 1,000 rooms, its 'fair share' of business would be 10 percent of market room nights. The ratio is then applied to the total market demand by segment to measure the property's actual room nights captured compared to its fair share of room nights.





We project the full-service convention center hotel will penetrate the corporate transient and group segment markets as it will be the premier hotel in the market, and the best-located hotel for group and much corporate transient business. Leisure activity is expected primarily on the weekends, holidays, and summers. The resulting projected occupancy is anticipated to stabilize at 74 percent in Year 3 (2019) with an Average Daily Rate in that year of \$161.26.

The following table displays our projected occupancies and average daily rate (ADR) for the Hotels first (5) five years:

Year	ADR (Projected)	Occupancy (Projected)
2017	\$152.00	63.0%
2018	\$156.56	69.0%
2019	\$161.26	74.0%
2020	\$166.09	74.0%
2021	\$171.08	74.0%

NARRATIVE OF PRE-OPENING STRATEGY AND BUDGET

Budgets for pre-opening costs are reflected as a Soft Cost in the Development Budget in Chapter 14. Our proposed pre-opening strategy is described below.

PROPOSED FULL-SERVICE CONVENTION CENTER HOTEL MARKETING STRATEGY:

The Hotel, with the premier rooms and banquet/meeting space, will primarily serve the Madison area with its shared and own distinct market. Journeyman/Marcus understands that this Hotel and the Monona Terrace Convention Center must work together to be successful. Since the Convention Center will be a largest source of demand for the new Hotel a booking agreement (both formal and informal) will be necessary to ensure space is available in the Hotel to accommodate these larger groups.

The anticipated sales strategy is to drive group, transient and leisure business through a combination of direct sales

and marketing efforts. Journeyman/Marcus will work diligently and cooperatively with the Monona Terrace Convention Center and other community organizations to develop successful marketing initiatives as currently being done at the Hilton.

“Sales Force One” is Marriott’s global sales strategy which arguably is the most effective, proactive and reactive sales force in the industry. In addition, Marriott Rewards guest loyalty program is the largest in the hospitality industry and will drive overall business to the Hotel. The Hotel’s anticipated mix of business is estimated to be comprised of 16% Corporate, 58% Group, and 26% Leisure. Primary anticipated demand sources are included below.

CORPORATE OR TRANSIENT BUSINESS

The majority of Corporate or Transient Business will be of individual business travelers who typically travel during weekdays to downtown Madison. Given the amount of travel and room nights generated by this customer base, many of whom are members of hotel loyalty programs, it is expected that more than 50 percent of the weekday transient room nights will be generated by Marriott Rewards’ 32 million members.

GROUP BUSINESS

The Hotel will be the prime participant in citywide conventions, and the Hotel’s primary sales efforts will focus on attracting and accommodating convention





attendees. Additionally, the sales effort will be deployed within segments impacting Madison, such as Corporate, Association, Affinity, and Government and will concentrate on filling in dates around city-wide conventions and large events.

TRANSIENT LEISURE

The Convention Center Hotel will benefit from its visible location and the amenities in the downtown Madison, Lake Monona, and those of the region. The proximity to numerous sources of demand, views of Lake Monona, along with the density of adjacent and neighborhood governmental, retail, office, and residential developments, will attract customers from many regional areas where Marriott's presence is well known. Currently, there are several branded Marriott select-service products within the Madison hospitality market, and the proposed full-service Marriott Hotel represents an appropriate evolution of the hospitality market within the Madison community.

Journeyman/Marcus anticipates that the local community will also become a demand generator for the Hotel's meeting and banquet spaces, as the location is ideal for weddings, galas, fund raisers and other special events and catering functions. The Hotel will market special rates and packages utilizing multiple distribution channels including Marriott.com, Marriott Rewards as well as online travel agencies such as Expedia, Orbitz, and Travelocity.

ABILITY TO SATISFY MEETING PLANNERS

Journeyman/Marcus is the only operator that has the ability to manage both the proposed full-service Marriott Hotel and the Hilton Monona Terrace providing meeting planners what they are ideally looking for in Madison, the ability to book a larger room-block managed and sold by one operator. This would provide meeting planner's one point of contact (Marcus/CVB), rather than having to deal with multiple contracts from multiple parties with different incentives and will allow Madison to capture the greatest amount of meeting demand. Finally, the proposed

full-service Hotel Marriott could create packages and leverage the Judge Doyle Square amenities available given the Journeyman/Marcus affiliation.

MAXIMIZING PROFITABILITY THROUGH COMPLEXING

Marcus has the ability to complex the full-service Marriott Hotel with the Hilton Monona Terrace maximizing the efficiency and profitability of the new hotel. Marcus is currently estimating cost savings of approximately \$250,000 per year upon stabilization which flows directly to the bottom line. Marcus also would be able to revenue manage the two properties to maintain pricing integrity.

MADISON FAMILIARITY

Marcus has an intimate familiarity with the Madison market given its footprint in the area and has close existing relationships with the Madison Convention and Visitors Bureau and convention center management team, which it will be able to leverage effectively to sell the new hotel and Madison as a destination. Journeyman/Marcus believes that Madison is in its infancy as a destination and still has a significant amount of growth to experience from a leisure and group perspective, and with the larger room block will be able to compete more effectively for national corporate business that is more lucrative.

CONVENTION CENTER HOTEL EXPERIENCE

Journeyman/Marcus has an outstanding track record in developing and successfully operating convention center hotels and excelling at the unique operations, marketing and relationship nuances that such operations present. Journeyman's staff has developed multiple convention center hotels totaling over 5,000 rooms and Marcus presently operates over 20 hotels with the majority of these operating as convention or conference centers of 200 rooms or larger. Marcus further has experience and an exemplary record of working closely with convention and visitors bureaus and convention center management teams to drive success.





RFP REQUIREMENT

A description of the terms of real estate acquisitions, phasing of such acquisitions, purchase price and planned ownership structure.

A description of the terms of real estate acquisitions, phasing of such acquisitions, purchase price and planned ownership structure is located in Chapter 14.



ASQ Center Renovation – Kahler Slater





1. Target Business Goals

RFP REQUIREMENT

A workforce utilization plan and targeted business goals for the construction and operations periods.

TARGET BUSINESS GOALS

EXECUTIVE SUMMARY

- This Developer will commit to achieving a target goal of 66% combined Local: MBE / Woman owned businesses/ Large Businesses/ Small Businesses. The local area is defined in priorities I thru IV
Priority I – Dane County/City of Madison
Priority II – Sauk/Jefferson/Rock/Green/Iowa/Dodge Counties
Priority III – All counties within a 100-mile radius of Madison
Priority IV – State of Wisconsin
Every effort will be made to affect and induce economic benefit from this project's expenditure to local businesses. Should "local" resources not be available then efforts will be made to affect expenditure in that wider area within Wisconsin.
- The make up of acceptable local participation will target a minimum of 12% MBE, 12% WBE, 18% Small Businesses (Non-M/WBE) 24% Large Local Businesses.
- A subcontracting plan will be established that enables maximum proactive participation.
- A "Local" participation plan will be established that enables clear reporting and verifiable measurement of targets.
- Other elements of the project may be applicable to participation targets (Design, Consultants, FF&E)
- This Developer will induce proactive participation in the employment of labor associated with construction
- This Developer will work with local associations, Colleges, and programs to maximize effect of economic

In his capacity as V.P. of Development, Journeyman Group (JG)(The Developer), Harley Blackburn will be responsible for all local, minority, women owned and small business participation and project related Community initiatives for the Judge Doyle Square Development.

The Developer and the City will establish a Local, Community and M/WBE Task Force to liaise with the Developer/Design-Build and monitor compliance with county/city goals. Jointly, we will outline a reporting procedure that reports on efforts and protocol to achieve outreach with local and M/WBE firms.

A Subcontracting Plan is to be established that supports adequate and proactive notice to the local business community of scheduled construction procurement activities. Monthly workshops will take place throughout the bidding process wherein local and M/WBE firms can visit with Project Managers, Estimators and others to review design development and bid scheduled opportunities.

A "Support Center" will be designated for the site project office, at a location in close proximity to Project Management, for local businesses interested in such opportunities. The Support Center will be provided with faxing, copying, internet and telephone capabilities so that small businesses can easily equip themselves with hands-on knowledge of project needs, scope/bid details and operations. Sets of plans and scope sheets will be available for review.

A JG representative is to ensure that main Subcontractor and Vendor contracts contain very specific and enforceable goals that are delivered through first, second and third-tier participation.

Every effort will be made to seek "local" vendors and contractors. Should local resources not be apparent, the Task Force will seek methods to either combine or train existing/local resources. Local resources will encompass the City of Madison, Dane County and connecting countries.

It is a focus of this Developer Design-Build team to review ways and means of utilizing local materials and sources of



1. Target Business Goals

benefits to this community.

manufacture/supply in the design decisions and to balance “best value” with the enhancement of local

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It is a focus of this Developer Design-Build team to review ways and means of utilizing local materials and sources of manufacture/supply in the design decisions and to balance “best value” with the enhancement of local employment and local business participation. Such efforts and responsibilities will be replicated by the Developer’s CM/General Contractor.

It is intended that our plan be elevated to provide a framework for “community” participation that may include local schools such as ABC and Madison Area

Technical College. Both institutions have curriculum that provide opportunities for interface and participation in future hotel operations as well as employment training.

Minority Business Enterprise Program (MBEP) provides training for certain technical trades that will allow for a close interface with Contractors and potential employment opportunities. It will be a priority to ensure that workshops specifically dealing with employment needs of this project are established from the onset. All subcontracts will include an introduction narrative regarding the MBEP program.

It is intended for the JG to invest in the program that is directly linked to the project, key stakeholders and local schools for both construction trade employment opportunities and hotel employment opportunities.

The proposed Task Force will utilize the MBEP framework of community leaders to assist with issues of coordination and commitment in linking all stakeholders, ensuring the project achieves maximum success in local, community and M/WBE participation.

A Mentor Protégé program will be established by the Task Force to facilitate a “transfer of technology”. The goal is to leave local small and M/WBE businesses stronger and better equipped to compete in all markets. JG will create a standard roles and responsibilities agreement template.

It is also recognized that this project is an ideal opportunity for the Youth Commission to program work environment interface with the unique team of professionals in Design, Construction and Project Management, Program Management, Finance, local government, Hotel operations.

The goal is to work with, attract and utilize local and M/WBE businesses across all spectrums of this project whose participation will be viewed as bringing best value to the whole in regards to safety, budget, quality, experience and capability, employment and transfer of technology.





1. Target Business Goals

PLAN FOR MAXIMIZING M/WBE AND LOCAL PARTICIPATION

JUDGE DOYAL SQUARE (JDS) DEVELOPMENT MADISON, WISCONSIN

GENERAL

JG has developed a model that has proven to be successful in maximizing local and minority-contracting opportunities. A close analysis of the experiences from similar projects has enabled us to identify key issues and situations that had both positive and negative implications on the outcomes of local and minority participation. We have determined that by addressing and prioritizing several key issues in the initial stages of the project, we can greatly improve local and M/WBE-HUB participation on this project. JG, in partnership with its Contractor and Sub-contractors, strives to build a high quality flagship facility that will be a source of pride for the JDS Development and the Madison community at large.

KEY ISSUES OF THE PLAN

COMMUNICATION

Communication is a key issue in the success of this initiative. JG recognizes that in order to have a successful project, we must establish a positive working environment that is based on a “spirit of cooperation and trust”. Therefore, the Project Management Team will provide information about this project to the various stakeholders throughout its management. Harley Blackburn serves as the liaison and is responsible for conveying timely communications with local and M/WBE trade associations.

The following steps will be implemented:

- A status report will be provided on a quarterly basis (at a minimum) to the County and City M/WBE-HUB Coordinator.
- An M/WBE-HUB plan will be specifically prepared and submitted for each Subcontracting/Trade package

issued prior to each procurement activity.

- A detailed M/WBE-HUB activity report will be prepared for submittal with each monthly Pay Application.
- A status report, provided to the City and its M/WBE-HUB Coordinator, will be presented to the minority trade associations during monthly meetings held by the Associations or as invited.
- The City M/WBE-HUB Coordinator and the staff member assigned to this project will be kept current on the project status, MBE/WBE percentages, issues and additional contracting opportunities that may become available.

PRIORITIZING HUB/MBE/WBE COMPLIANCE

JG is committed to adherence of the City/County M/WBE-HUB requirements. It has been established that strong emphasis on compliance must be placed as early as the design phase of the project and that close monitoring for compliance must be made during every contract negotiation. Therefore, the Project Management Team will undertake the following steps:

- An information package will be prepared and made available to contractors interested in bidding any portion of the project. A contractor database will be created that will provide us with the ability to readily identify M/WBE-HUB contractors and their areas of expertise in order to correlate them with specific scopes of work. This information will also be useful to JG in assisting Prime Contractors with attaining and maximizing minority participation on their contracts.
- M/WBE-HUB compliance clauses will be included in all contracts with Prime and Subcontractors.
- The importance and expectations of M/WBE-HUB participation will be communicated to all Prime and primary Subcontractors during pre-bid conferences and contract negotiations.
- Disclosure of M/WBE-HUB subcontractors will be required for all bids submitted.
- Minority, Contractor, Builder, Trade, local and NAWICS Associations will be utilized for outreach and identification of minority and women contractors for participation in additional bid packages.





1. Target Business Goals

- A Marketplace Event will be held to disseminate information about the project and to provide a forum for bringing Prime Contractors and M/WBE Subcontractors together.
- Resource information on outreach to minority and women contractors will be a standard part of bid packages.
- JG will be available to assist all prime contractors with identification of minority and women subcontractors.
- Plans and specifications will be placed in the plan rooms of the minority associations.
- Advance copies of upcoming scopes of work and RFP dates will be faxed to minority associations.
- Proposal opportunities will be advertized in minority newspapers.
- Meetings will be held with minority association leadership.
- Presentations on opportunities will be delivered during minority association meetings.

IDENTIFICATION OF ADDITIONAL LOCAL AND/OR MINORITY CONTRACTORS

Areas still exist where qualified local or minority contractor availability is minimal or non-existent. In some instances, it will become necessary to subcontract with non-local firms because of unavailability of local minority contractors in specific disciplines. As it becomes necessary to implement methods for increasing the pool of available minority contractors, thus the opportunity of attaining greater minority participation on the project also increases. The Project Management Team will:

- Strongly encourage all minority and women-owned contractors (local and non-local) to attain certification as MWBE/HUB.
- Provide assistance with the certification process, as needed.
- Consider all aspects to affect local sourcing.

COMMITMENT TO LEADERSHIP

JG recognizes that minority contractors face issues and/or situations that may prohibit them from participating in the competitive bid or construction process. The Project Management Team should attempt to identify areas

where initiatives may be implemented to further increase minority participation on this project, if approved by the City.

Initiatives may include accepting guarantees other than P&P bonding and approving the early release of retainage funds to minority contractors that have successfully completed their contractual obligations. Additionally, the timeline with regard to processing of payments for equipment, supplies and labor may be greatly improved in order to address cash flow issues.

JG strives to be a positive corporate partner in this community. The Senior Management of JG are interested in identifying and pursuing innovative ways of increasing M/WBE-HUB participation on this project that may be replicated on future projects.

We will continue to review the work of the Minority Associations and gather additional information that may be helpful in finding solutions to some of the obstacles faced by M/WBE-HUB contractors. JG is in a position to provide the leadership that will bring a variety of entities to the table in establishing an open dialogue, a spirit of cooperation and a problem-solving environment to address M/WBE-HUB participation issues.

A. SUBCONTRACTING PLAN

It is the intention of JG to complete our subcontracting strategy and subcontractors list for the City's review and approval at the end of the schematic design phase. This list will include local Subcontractors in which we will solicit for bidding in accordance with our multiple bid package breakdown strategy. Out of town pre-qualified Subcontractors will be considered only if other "local" resources are not available and/or if there is an economic or quality advantage. It is, however, recognized that "local employment" is a top priority.

Descriptions of the basic scopes of work for the proposed construction will be prepared in design development as sufficient design information becomes available. These scopes will then be adjusted as final construction documents become available and constructability reviews are completed. With scopes completed and documents





1. Target Business Goals

in hand, bid packages will be released with six to nine bidders being solicited for each package.

Bid opening will be in accordance with the procedures outlined in this section and with the best value bidder being awarded the contract. Given the qualifications (quality, schedule and MBE/WBE goals), each bidder will be given substantial consideration and the lowest bidder will not always be selected.

Pre-bid and pre-award meetings may be held for each contract as described within the following pages. Initiation of the subcontract process for early bid packages will be at the home office with later procurement efforts and administrative duties being carried out by the field staff.

B. LOCAL AND MINORITY BUSINESS PARTICIPATION

To achieve the City and JG's mutual goal of providing the greatest possible opportunity for local and minority business enterprises to participate in the construction of the "project", the following program will be implemented:

1. The inclusion of minority business enterprises on JG's select bidders' lists for goods or construction services being purchased directly by JG will be given top priority whenever and wherever the capability and capacity of minority business enterprises coincides with the type or scope of the goods or services to be procured.
 - a. Utilizing its own sources and The Dane County/City of Madison minority business enterprise supplier list, JG will strive to meet the participation goals established by the City, without establishing any particular percentage quotas, to procure direct purchases and subcontract awards from Minority Business Enterprises (MBE) and Women Business Enterprises (WBE).
 - b. The Developer (JG) has established the following participation goals for minority and women business enterprises for this project:

MBE	at least 12% of overall project budget
WBE	at least 12% of overall project budget
SBE	at least 18% of overall project budget

LBE	at least 24% of overall project budget
TOTAL	at least 66% of overall project budget

- c. In partnership with the City of Madison and the Dane County M/WBE Office JG will facilitate a "Capital Working Loan Fair" showcasing various banking institutions who offer a variety of programs such as Commercial Real Estate 504 Loan Program, SBA 7(a) Bank Guaranty Program, Micro Loans and the Working Capital Loan programs offered at the Small Business Assistance Corporation. And other non-traditional private funding institution when traditional lending is not feasible.
2. Acknowledging the size and complexity of the Project may limit overall opportunities for minority business enterprises to provide goods or services directly to JG, opportunities for minority business enterprises will be emphasized at the sub-supplier and sub subcontractor level. This communiqué will be achieved in the following manner.
 - a. A statement will be drafted describing The City and JG's mutual goal of providing the greatest possible opportunities for minority business enterprises in the bidding process and our mutual desire for "select" bidders adopt this goal. As soon as this statement is finalized, it will be incorporated into all bid packages. To convey our sincerity, providing opportunities to minority business enterprises will be stressed during all pre-bid and pre-award meetings. In addition, a statement will be included with the Bid Form for each bidder to report, by name, the minority business enterprises solicited, the minority business enterprises actually submitting bids, and the proposed minority business enterprises to be utilized by the bidder with the appropriate dollar value of those goods or services.
 - b. The following organizations will be contacted in writing regarding the Project and informed of the general method of procurement, i.e. invitation-only competitive bids from select contractors as well as the goal of affording minority business enterprises the greatest possible opportunity to participate.



1. Target Business Goals

- NAME – Wisconsin
 - Wisconsin Minority Women Association
 - GradeBeam
- c. JG will offer to provide each organization a bid package and the list of select bidders for each package in anticipation that each organization will publicize the Project and highlight the opportunities for minority business enterprises. Each organization will also be informed that a set of plans for each package will be available to minority business enterprises in JG's Plan Room.
3. The most compelling evidence of genuine opportunities being offered minority business enterprises is, of course, utilization. Therefore, to ensure the participation of minority business enterprises, JG will continue to promote an informal mentoring program with alliances and project partnerships among majority and minority construction firms.
- a. Bidders will be informed prior to and during the bid process that "select" bidders who have "teamed" with a minority business enterprise will enhance their bid and be given all due consideration during evaluation of the bids.

JG's project reporting system used to track minority business enterprise opportunities and utilization will be modified to suit this Project and reports will be issued based on JG's direct purchases as well as the information provided by subcontractors and suppliers on a quarterly basis.

C. BIDDER PRE-QUALIFICATION

The pre-qualification of all interested bidders may require completion of JG's Pre-qualification Form if a current form is not already in our records. Generally, information required for pre-qualification includes:

- Name and general organization information
- Financial information and banking references
- Bonding agent and capacity/limit
- Volume of business per year (\$)
- Present work under contract (\$)

- Directly related project experience/similar \$ value
- Key personnel qualifications (management capability)
- Safety plan and procedures, and accident statistics on recent projects (EMR)
- Current insurance coverage and limits
- Labor relations information and experience with local labor (last five years). Employment practices.
- Particular area of bidding interest
- State licenses
- MBE/WBE Participation

All of the above information is evaluated to determine a potential bidder's qualifications and, if deemed necessary by the Contract Administrator or Construction Manager, reference checks, facility visits or interviews may also be conducted. A summary of the pre-qualification data will be prepared by JG for those potential bidders it recommends to be placed on the bidders list. Only those bidders recommended by JG and approved by the City will be allowed to bid.

D. BIDDING DOCUMENTS

Upon receiving the "Released for Construction" contract documents, JG's scopes of work, special conditions, and budget identification cost codes for individual bid packages will be finalized. The on-site Construction Manager, Contract Administrator, Cost Control Engineer and Project Engineer will review the bid packages for completeness and compliance with the GMP scope, schedule and budget.

The Invitation to Bid specifically identifies the work to be subcontracted and the under what conditions the award will take place. The Invitation not only serves as the base document for bidding, but also awarding. Unless incorporated by other means (Pre-Bid Meeting notes, Pre-Award Meeting notes, etc.), any detail excluded in the Invitation to Bid cannot become part of the Subcontract since it was not a consideration for the Subcontractor when preparing the bid. Therefore, the Subcontract Administrator must exercise the same care and diligence when initiating the Invitation to Bid as when writing the Subcontract.





1. Target Business Goals

The bidding documents will include:

- Invitation to Bid
- Instructions to Bidders
- Bid Form
- All applicable drawings
- Technical Specifications
- Sample Subcontractor's Agreement
- Scope of Work and Bidding Directions
- Statement to Enhance Minority Contractor Participation
- Purchasing and Invoicing Procedures

E. BIDDING

To help identify the number of bids to be received, the Subcontract Administrator will contact each bidder to confirm receipt, intention to bid and address initial questions. These activities will occur within three days of mailing the Invitation to Bid.

A pre-bid conference will be held at the site with all major bidders. It will be conducted by JG's Construction Manager and Contract Administrator. Other JG team members will attend as required to provide additional input. The A/E team will not participate in the pre-bid meetings. All questions taken from bidders will be answered at the conference or taken under advisement for later reply. Minutes of the meeting will be prepared and distributed to those in attendance and the A/E team. Subcontractor attendance will be a mandatory requirement for bidding. The Contract Administrator will also prepare and distribute to all firms on the bid list any subsequent addenda resulting from the pre-bid conference.

Bid receipt will be handled as outlined in the approved Instructions to Bidders portion of the bid documents. Bids will be received at JG's site construction office. A bid Tabulation Sheet will be used to log in all bids, including information on the bid documents release date, bid due dates, date bid received, time received, bid opening date, qualifications and total bid. The information is logged in for each bidder on the bid list.

When all bids for a given bid package have been received, a spreadsheet will be prepared by the Subcontract

Administrator. This spreadsheet or bid tabulation will list all bidders on the Requisition Summary and the major points of each proposal such as scope of work, schedule, special items, cost estimate, bid amount, exclusions and exceptions. Any technical questions or considerations will be forwarded to the Architect/Engineer for evaluation. Each bid will be reviewed by the Construction Manager, Contract Administrator, Project Engineer, Cost Control Engineer and the City Representative.

Communications to and from the bidders during the bid and evaluation cycles will be coordinated through the Contract Administrator. This system will ensure that:

- Each bidder has consistent information.
- All clarifications/qualifications regarding scope can be recorded on the Requisition Summary and subsequently incorporated into the Subcontract and in the file.
- Each bidder is given the same commercial and/or technical considerations during evaluation.
- Procurement is knowledgeable about the current questions and/or problems in order to administer the pre-award cycle in a professional manner.

Once all the proposals have been tabulated, a "base data" for comparison must be developed. This "base data" is usually the items already identified on the Bid Form with the addition of items/requirements special or applicable only to the Invitation to Bid in question.

Specific considerations must be given to ensure the most competitive pricing available, adherence to the completion schedule/procurement program and overall acceptability of the bid.

After the Contract Administrator reviews the bid for adherence to required commercial requirements, it is reviewed by the Control Engineer for variance from the estimate. The bid is then forwarded to the Construction Manager for approval.

All project personnel with knowledge of bid prices will be responsible for maintaining the confidentiality of the information received and the integrity of the proposal system throughout the evaluation period and thereafter.





1. Target Business Goals

There will be no mention of prices for any specific bidder until the recommendation stage.

Therefore, only the following people will be copied on the bid tab distribution:

- Cost Control Engineer
- Construction Manager
- Contract Administrator
- Project Executive
- Review by The City (Visual or Telephone – Bid Tab not distributed)

On major contracts, pre-award meetings may be held with the recommended Subcontractor or those Subcontractors in the competitive range. The purpose of such meetings shall be to:

- a. Ensure full understanding by the Subcontractor(s) of the complete scope, schedule and project requirements.
- b. Verify the Subcontractor's ability to meet its promised completion date. Conference notes regarding major items of agreement shall be prepared and signed by the Subcontractor before the meeting is terminated to document agreements and ensure understanding. Meeting minutes will subsequently be generated and issued to the attendees and A/E.

When all issues that could potentially influence identification of the most acceptable Bidder have been resolved, the Contract Administrator will present its recommendation to the Construction Manager. Recommendations will consist of the following:

1. Bid Tabulation (attachment IV-F)
2. Technical Evaluation (if applicable)
3. Pre-Award & Bid Conditioning notes (if applicable)
4. Recommendation Summary

The Construction Manager will review the selected bidder with the City representative for concurrence and approval.

EXAMPLE: Bi-weekly reporting document, updated as procurement proceeds (dynamic, trade package-specific)

Mass Excavation; Foundation Drainage; Drilled Piers

- We have had a package specific meeting with ACC HUB Coordinator – 2/14/03, as well as the following

meetings and presentations: Meeting with Ben Warmate, President of Austin Metropolitan United Black Contractors Association – 3/05/03; Meeting with Mahesh Naik, Asian Contractors Association and Presentation to the Hispanic Contractors Association – 3/12/03.

- We have used the CMBL to fax Contractors and notify those listed for the scope of work per this RFP package.
- We have encouraged and invited HUB contractors to visit our office, with an appointment, to take advantage of a work session managed by our Superintendent and Project Manager so the project may be explained and plans reviewed in advance of proposal submission date.
- We have written to the Associations and highlighted this package release, requesting their assistance with member notification.
- We have posted plans and specification sets (at no cost) in the following locations: 1) the AGC plan rooms, 2) Asian Contractors Association, 3) Austin Black Contractors Association, 4) Austin Metropolitan United Black Contractors Association, 5) Austin Minority Trades Association, 6) Hispanic Contractors Association, and 7) City of Austin DSMBR.
- We have offered to alert the HUB contractors associations to likely “prime Contractors” which have shown an interest in this package, so they may contact as second tier or JV.
- We have offered for our Group Vice President to contact senior partners of the likely “prime contractors” to ensure a thorough understanding of our intent and desire to achieve HUB participation on this project.
- We have given consideration to the packaging of the work and to scope separation possibilities. We have arranged this package to allow for participation in single elements of the scope or as a “combo”.

Above, efforts were made to present and control bid scope as it relates to size and value opportunities for M/WBE entities to bid on achievable and manageable work. Where possible, arrangements were made with the Owner to allow early release of retention monies for





1. Target Business Goals

early non-warranty defect activities such as earthworks, etc. Bi-monthly pay applications, where approved, were scheduled. A measurable reporting procedure was established with formal communications to ensure a high level of achievement. Such efforts must be established at the onset of a project and should include General Conditions expenditure.

Sample formal reporting letter:

Mr. Hopeton Hay
The Authority of Texas System
Office of Facilities Planning and Construction
220 West Seventh St. Austin, TX 78701

Re: Historically Underutilized Business Plan for
The Jack S. Blanton Museum of Art Project
General Conditions, Project #102-965

Dear Mr. Hay,

In accordance with the requirements outlined in the specification section “HUB Participation Program”, I am pleased to forward this HUB Subcontracting Plan as an integral part of our response (bid, proposal, offer, or other expression of interest) in connection with your request for proposals, etc. referencing Project #102-965. I have read and understand The Authority of Texas System Policy on Utilization of Historically Underutilized Businesses (HUBs).

This HUB Subcontracting Plan includes 5 LOIs (no. of LOIs) totaling \$29,601.00. These figures represent a percentage of 58.5 % for minority-owned HUBs and 31.8 % for women-owned HUBs for the General Conditions Package monies spent to date. When a HUB is owned by minority women, I have classified that HUB as minority-owned rather than women-owned. _____ has a cumulative percentage of 41% for minority-owned HUBs and 24% for women-owned HUBs for the General Conditions portion of the contract.

For each listed HUB firm, I have attached a GSC Certification document, a Bid List/Certification Application (completed by the HUB on General Services Commission CMBL Form BID 11/99, HUB 11/99). If the HUB is certified by another GSC approved certifying agency, a copy of their approved certification document is included herein. Should we discover additional subcontractors or suppliers claiming Historically Underutilized Business status during the course of this contract we will notify you of the same. In addition, if for some reason a HUB is unable to fulfill its contract with us, we will notify you immediately in order to take the appropriate steps to amend this contractual obligation.

Sincerely,

Harley Blackburn
Vice President
Journeyman Construction





2. Full Service Marriott FTE Estimates

FULL SERVICE MARRIOTT FTE ESTIMATES

Salaried / Hourly	Department	FTEs
Hourly	Banquet Beverage	3.0
	Banquet Food	25.0
	Bell Service / Valet	6.0
	Front Office	8.0
	Guest Service	3.0
	Housekeeping	40.0
	Purchasing & Receiving	1.0
	In-Room Dining Food	5.0
	Loss Prevention	3.0
	Main Kitchen Stewarding	8.0
	Main Kitchen Culinary	14.0
	Restaurant Food	8.0
	Restaurant Beverage	3.0
	PBX	3.0
	Repairs & Maintenance	6.0
	Night Audit	2.0
Hourly Total		138.0

Salaried / Hourly	Department	FTEs
Salaried	Accounting Office	4.0
	Banquet Office	2.0
	Catering	4.0
	Food & Beverage Mgmt	5.0
	Front Office	2.0
	Housekeeping	2.0
	Human Resources	2.0
	Main Kitchen Stewarding	1.0
	Main Kitchen Culinary	3.0
	Repairs & Maintenance	1.0
	Reservations	2.0
	Rooms Division	1.0
	Sales	6.0
	MH&R Executive	2.0
Salaried Total		37.0
Grand Total		175.0





2. Construction – Workforce Projections

CONSTRUCTION – WORKFORCE PROJECTIONS

Ref	Description	Block 88	Block 105	Notes
a	Total Project Value	99,594,395	88,800,200	All in-land, FF&E, soft costs, etc. (per RFP)
b	Construction Duration	18	18	months
c	% of Value for Construction	60%	60%	This multiplier assumes the portion of total project value that will be construction
d	Construction Budget	59,756,637	53,280,120	{a*c}
e	Labor as % of Construction	50%	50%	
f	Average Cost/Hour for Labor	75	75	
g	Total Labor Hours	398,378	355,201	{d*e/f}
h	Average Workforce over Duration	128	144	This represents the average number of workers equally distributed over the construction duration {g/b/40/4.33} Not all the individual workers will remain employed on this project for its entire duration.
i	Position Turnover Multiplier	4	4	This multiplier assumes that workers will change four (4) times over the duration of the project
j	Total Onsite Workforce Members	511	456	{h*i}
k	Onsite to Offsite Workforce Member Ratio	4/1	4/1	This assumes that there is 1 offsite worker for every onsite worker
l	Non Workforce Members	128	114	{j/k}
m	Total On and Offsite Members	639	570	
Combined Block 88 & 105 Project Workers			1,209	



RFP REQUIREMENT

A community engagement plan for the project.

INTRODUCTION

The purpose of this chapter is to outline the community engagement process for the Judge Doyle Square proposal. A Master Planning Process undertaken in 2012 included a Public Participation Plan that helped guide the Judge Doyle Square project team and the City of Madison as they crafted the Requests for Qualifications and Proposals for the JDS project. The Development Team will build on that information and utilize similar methodologies for the Community Involvement Plan to ensure continuity and ongoing meaningful stakeholder and community participation in the process. We propose the following public participation strategy.

1. **Participation:** Identify stakeholders and their key issues/concerns
2. **Objectives:** Establish Public Involvement objectives
3. **Methods:** Select and outline the public involvement activities and how they will interact with other facets of the project and establish a timeline
4. **Dissemination and Evaluation:** Demonstrate how the team plans to present to the public and decision makers information gathered throughout the process, and identify evaluation methodology.

PARTICIPATION

The Judge Doyle Square project went through a Master Planning Exercise that helped guide the City in developing the Request for Proposal now under consideration. The Public Involvement Plan was thorough and involved a wide array of stakeholders, and also identified many of the underlying issues that are important to the community when moving forward with the Judge Doyle Square project. We intend to continue the involvement of many of those same stakeholders and community members to address known issues, and to identify additional issues, concerns and considerations.

STAKEHOLDERS

- Affected property owners
- The hotel/hospitality industry
- Neighbors and Neighborhood Associations
- Business owners, operators, and associations (Downtown Madison, Inc., Greater Madison Convention and Tourist Bureau, Greater Madison Chamber of Commerce, the Bike Federation, Downtown Business Improvement District)
- Current Government East Parking ramp users
- City, County and State employees and entities that may be impacted by the project
- Madison residents

IDENTIFIED ISSUES (NOT EXHAUSTIVE LIST)

- Connectivity
- Tax Base
- Madison Municipal Building Use and City office use
- Market – ability to support project, types of users,
- Construction noise, impact of temporary loss of parking on business
- Parking alternatives during construction
- Public subsidy and cost of project
- Necessity of additional hotel room blocks
- Bike Center
- Activating a currently disconnected block with pedestrian and bike friendly first floor uses

OBJECTIVES

The public involvement component of this project serves the purpose of reaching a mutual understanding between the City, the Development team and the Stakeholders that:

1. There is a need and an opportunity at this time for this project.
2. The City selected the right team and we have the capacity and responsibility to bring this project to fruition and achieve the goals and objectives of the City of Madison's vision for Judge Doyle Square
3. The team's approach is reasonable, sensible, and responsible, and achieves the best outcome feasible outcome for the City, the Community and the





Developer.

4. The input from the stakeholders was meaningful, considered, and where appropriate, implemented in the proposal.

PUBLIC INVOLVEMENT METHODS

The team will utilize the following methods for involving the identified stakeholders and the community.

- **Kick off public meeting:** Team will hold an initial open community meeting to familiarize stakeholders and the public with the team, the proposal and the roadmap for moving forward with the project.
- **Public Workshops:** The development team will host a minimum of three roundtable/workshops to gather public input, provide information to stakeholders and the community, and address concerns, questions and considerations in an interactive format.
- **Focus Groups:** The development team will conduct focus groups to gather feedback from affected business owners as it pertains to the period of time that parking will be unavailable to their employees and customers. The development team will work with the City to provide options that will be most suitable during the construction.
- **City Meetings:** Appear before all relevant City Committees and Commissions on an ad hoc basis and as required throughout the process: Presentations before the relevant City decision making bodies will occur throughout the duration of the project.
- **Neighborhood Meetings:** The Development Team will work with downtown neighborhood associations, and be available to present timely updates to their membership.
- **Business Associations:** The Development Team will reach out to business, lifestyle, and labor organizations, such as Downtown Madison Incorporated, the Greater Madison Chamber of Commerce, the Greater Madison Convention and Visitors Bureau, Downtown Business Improvement District, Smart Growth Greater Madison, the Building Trades, and others during the course of the project in order to provide and gather feedback on the project.
- **Develop a project fact sheets:** We will create a series of fact sheets to be used throughout the project that explain the various steps of the study, decision-making process, alternatives under consideration, etc. The fact sheets will help to ensure that accurate, consistent information is being disseminated to the stakeholders, decision makers, and public. The fact sheets will be distributed at public meetings and be posted on the project Web site and will be updated regularly updated.
- **Website:** The team will work with the City to provide opportunity online for ideas/feedback on the JDS website, and to make available presentations, workshops, and public meetings for those unable to attend.
- **Media campaign:** Whereas the City of Madison will take the lead on media, the team will be available to assist in any capacity needed including preparing media kits, writing and distributing news releases and alerts, coordinating interviews, preparing speaking points etc.

DISSEMINATION AND INVOLVEMENT

The Development Team will compile, evaluate, and present the findings of our public engagement efforts throughout the process. These materials will be submitted to the City for publication on the Judge Doyle Square website. Deliverables will include but not be limited to:

- Summary documents of Community meetings, Focus Groups, and presentations to neighborhood and business groups.
- Overview of Public Testimony at relevant Commission and Committee meetings.
- Recommendations for alternative to parking during construction.
- Summary of changes made or incorporated into the project as a result of Community input.



RFP REQUIREMENT

(Sealed Submission) A detailed public private financial plan showing how the project is to be financed, including letters of interest or commitment from potential lenders/partners. The financing strategy should describe each block separately as follows:

- Estimated uses of capital (separately for each block) providing at least this level of detail:
 - Land acquisition price to be paid
 - Estimated demolition/site prep
 - Hard costs for construction
 - Developer fee
 - Architecture and engineering expenses
 - Other soft costs
 - Other costs
 - Estimated sources of capital (separately for each block) including:
 - Debt (private borrowing)
 - Debt (City or CDA borrowings)
 - Equity (cash or cash equivalents)
 - Equity (deferred or forgiven developer/professional/construction fees)
 - Parking Utility contributions for publicly owned parking component
 - City TIF contribution (or other subsidy)
 - Estimate of Value Calculations, including cap rate assumptions
 - Estimate of Annual Property Tax Payments
 - Details of potential City TIF investments
 - Payback of City TIF investments
 - Specify other special sources such as New Market Tax Credits, Section 42 Tax Credits, conduit bonding, etc.
 - Sources and uses should be further broken down by component (parking, hotel, apartment, etc.) to the extent practicable.
- Please review the City's TIF Policy and note any exceptions from policy the development team anticipates requesting (see cityofmadison.com/planning/tidmaps/tifpolicy.pdf)
 - Describe project components (such as parking) to be owned or financed by the City or the Community Development Authority of the City of Madison (CDA). Describe the long-term ownership structure (i.e. what rights to purchase will the developer or City have?). Describe the proposed structure for handling maintenance and operating costs.
 - Provide any available letter of interest, credit, or commitment from investors or lenders that demonstrate the financial strength of the team and financial feasibility of the project.
 - If utilizing New Market Tax Credits or other financial assistance program, indicate team's experience with these financing methods.
 - Annual cash flows and pro-forma for term of project financing for a minimum of 10 years, by block and major component.
 - Net cash on cash returns.



CHAPTER 14 – PUBLIC PRIVATE FINANCIAL PLAN

1. Public Private Financial Plan

BACKGROUND SUMMARY

The proposed \$178.8 million project will be situated on portions of Block 88 (1.04 acres) and 105 (1.20 acres) known as Judge Doyle Square (collectively, the "Property"), currently owned by the City in Madison, Wisconsin. Journeyman Group and its partners will form separate entities to purchase the Property from the City and develop the Project.

LAND ACQUISITION

For Block 88, Journeyman Group and its partners propose to purchase the Block 88 Property from the City for \$1 to aid in closing the funding gap of the full-service Hotel. Journeyman Group shall purchase Block 105 to develop with the City (Parking Utility), Retail/Office, and Residential ownership entities each owning their respective condo units and be members of the master condominium association to be formed by Developer. Land purchase allocations for Block 105 are reflected in Table A that are based on private components share of the gross square feet to be developed on this Block at a value of \$100 per square foot, which currently reflect ~\$3.3M of net proceeds to the City.

REQUESTED TIF ASSISTANCE

The Property is located within the TID #25 (East and West Wilson Street Corridor) boundaries.

In this proposal, Developer is requesting a \$46.7 million of TIF loan ("Loan") to construct a 352-key full service hotel, 11,680 square feet of commercial and retail space, 52,190 square feet of Class A office space, 134 apartment units and 645 parking stalls to support the needs of each use. The Project will further include City Fleet and Public Parking on both Block 88 and 105 totaling 638 spaces that will be funded by the City as discussed below.

The TIF request represents 90% of the anticipated increment to be generated by the Project based on a 20 year amortization, as reflected in the table below. The TIF request is further based on an assumption either (1) TID #25 would be extended for an additional approximately 12 years, beyond the current TID #25 expiration date in 2022, or (2) a new TID will be created (and could be an overlap TID), or (3) the TIF request could be funded using all increments generated within all of TID #25, not limited to the projected increment

TAX INCREMENT FINANCING					
	Marriott Hotel	Retail/Office	Residential	Totals	
Land	\$ 4,345,824	\$ 1,179,447	\$ 2,114,006	\$ 7,638,278	89
Improvement	\$ 63,456,173	\$ 13,649,567	\$ 22,548,139	\$ 99,653,879	
Real Estate Assessment	\$ 67,801,997	\$ 14,829,014	\$ 24,662,145	\$ 107,293,157	
Mil Rate	0.0242	0.0242	0.0242	0.0242	
Real Estate Taxes	\$ 1,640,808	\$ 358,862	\$ 596,824	\$ 2,596,494	
Interest	0.00%	0.00%	0.00%	0.00%	
Amort – Years	20	20	20	20	
Supportable TIF Bond	\$ 32,816,167	\$ 7,177,243	\$ 11,936,478	\$ 51,929,888	
Discount	90%	90%	90%	90%	
TIF Proceeds to Block 105		\$ 3,229,759	\$ 5,371,415	\$ 8,601,175	
TIF Proceeds to Block 88 Hotel	\$ 29,534,550	\$ 3,229,759	\$ 5,371,415	\$ 38,135,725	
	\$ 29,535,550	\$ 6,459,518	\$ 10,742,831	\$ 46,736,899	



1. Public Private Financial Plan

to be generated by the Project, or (4) the City will utilize increment from a donor TID. The requested TIF Loan would require an exception to the 50% rule under the City's current TIF Policy.

The TIF request for the Project, and the anticipated gap between Project equity and financing and anticipated Project costs, is based on the following considerations:

1. The costs to develop a full-service hotel to meet the City's goal of supporting its convention and trade business as compared to that of select-service products in the market
2. Cost to construct parking
3. The Project costs will be higher based on the Madison region's higher construction costs, which are not supported by moderate daily rates and rents of similar projects in other communities; although projected rates and rentals are in-line with the Madison market, they are insufficient to attract more debt and equity investment in the Project.

Thus, the Project gap is both attributable to sources and uses in this instance.

The Project is estimated to have value of \$108.8 million upon stabilization. The Project costs (excluding the portion of the parking elements to be paid for by the City) totals \$148.0 million, with private sources of financing of \$101.3 million.

Due to construction timing, Developer proposes to close on TIF financing in May 2014.

Exceptions to the City's Current TIF Policy:

Under the City's current TIF Policy, Developer will agree to the guidelines in the City's TIF Policy with the following exceptions:

1. As discussed above, the TIF request will not meet the 50% threshold.
2. Developer proposes to only provide a limited personal guaranty on a portion of the TIF Loan, in an amount to be negotiated based on the difference in cost of the City's desired full service hotel and the cost of a limited

service hotel.

3. The Developer's equity contribution shall not be equal to the requested TIF Loan, Developer equity in the Project will not be required to be expended prior to release of TIF funds for Project costs, and any required Developer equity will include Developer's long-term equity investment to be realized through utilization of New Markets Tax Credits, discussed further below in the financial projections.
4. Developer will not agree to make an Equity Participation Payment to the City of Section 4.1(15). If selected, the Developer is open to discussion and negotiation on some form of alternative equity payment should the Project performance substantially exceed expectations.
5. Depending on how the City elects to structure repayment of the TIF Loan as discussed above (extension of TID #25, new/overlay TID or donor TID), the City's preferred 12- Year TIF Expenditure Period may be exceeded.

CITY RENTAL AGREEMENT FOR CONVENTION SPACE

As a further incentive from the City and as an aide in helping the Hotel achieve financial stabilization, the City and Developer shall enter into a 10-YEAR FUNCTION SPACE RENTAL AGREEMENT whereby the City would receive limited beneficial use of the Hotel's meeting facilities for an annual rental of \$700,000. During this 10-year period it is projected that the City will receive \$14.6M of Hotel Occupancy Tax from the Project alone. The City would be entitled to (i) use of Ballroom and Pre-Function space three (3) times per calendar year, and (ii) use of the Boardroom and associated Pre-Function space six (6) times per calendar year, and (iii) use of up to five (5) daily uses of guest rooms within the Hotel per calendar year, non-cumulative subject to availability at the date the reservation is made. The Function Space shall not be available to the City on the first, second, and third Friday and Saturday evenings of December, nor on December 31 of each year. In the event Function Space or guest rooms are not available at the times requested



1. Public Private Financial Plan

by the City, Developer is responsible for providing the City with suggested alternate times of comparable utility to the City when the Function Space or guest rooms are available. The City shall reserve Function Space and guest rooms not earlier than thirty (30) days prior to the desired date, provided, however, that one (1) time per calendar year, with respect to Ballroom and Pre-Function space, and two (2) times per calendar year with respect to the board room, the City may reserve the Function Space up to one hundred eighty (180) days in advance. The City and Developer shall work together in good faith to resolve any conflicts in reservations for Function Space.

FINANCIAL PLAN, SOURCES AND USES & FINANCIAL COMMITMENTS

Our detailed public private financial plan reflects how the Project is to be financed, and includes letters of interest or commitment from potential lenders/partners. **Table A** at the end of this financing strategy section describes each block and Project element separately, identifying estimated sources and uses of capital, with no less than the following level of detail:

Sources

- Debt (private borrowing) – **See Table A**
- Debt (City or CDA borrowing) – **See Table A**
- Equity (cash or cash equivalents) – **See Table A**
- Equity (deferred or forgiven developer/professional/construction fees) – **See Table A**
- Parking Utility contributions for publicly owned parking component – **See Table A**
- City TIF contribution (or other subsidy) – **See Table A and Tax Increment Financing Table above**
- Estimate of Value Calculations, including cap rate assumptions
- Estimate of Annual Property Tax Payments – **See Tax Increment Financing Table above**
- Details of potential City TIF investments – **See Table**

A and Tax Increment Financing Table above

- Payback of City TIF Investments – **See Tax Increment Financing Table above**

Uses

- Land acquisition price to be paid – **See Table A**
- Estimated demolition/site prep – **See Table A**
- Hard costs for construction – **See Table A**
- Developer fee – **See Table A**
- Architecture and engineering expenses – **See Table A**
- Other soft costs – **See Table A**
- Other costs – **See Table A**

CITY OWNED/FINANCED OWNERSHIP STRUCTURE

The Block 88 City Fleet Parking, Block 105 Public Parking, and Block 105 Bicycle Center shall be owned and financed by the City or the Community Development Authority of the City of Madison (CDA). Turn-key costs of these City owned and financed elements inclusive of design, construction, and finance costs is currently estimated to total \$30.8 million as reflected in Table A, which we have assumed will be financed by use of the \$9 million City reserve designated for the replacement of the East Garage and City bonds or other public improvement financing mechanisms for the balance (\$21.8M).

MAINTENANCE AND OPERATING COSTS

Provisions for each Project element to operate independently for handling maintenance and operating costs has been incorporated into planning and design. Each Project element on each block will have separate public access, vertical transportation, and sub metering of utility services. Maintenance and operating costs of common elements and limited common elements for each block (drives, stairs, etc.) shall be addressed in the future condominium association agreements to be developed.



CHAPTER 14 – PUBLIC PRIVATE FINANCIAL PLAN

1. Public Private Financial Plan

LETTERS OF INTEREST, CREDIT OR COMMITMENT FROM INVESTORS OR LENDERS

Letters of interest, credit, or commitment from investors or lenders that demonstrate the financial strength of the team and financial feasibility of the project are included in this Chapter of the Proposal.

NEW MARKET TAX CREDITS

Our financial plan anticipates utilizing New Markets Tax Credits (NMTC) for the Project's private hotel, retail/office, and residential elements, contributing approximately \$5.3M (3.0%) to the Developer's equity contribution to the Project, based on an assumed \$30M total CDE allocation. Journeyman individually has recent experience with New Markets Tax Credits on a Hotel and Conference Center in Lawton, OK where NMTC contributed approximately 10% to the capital stack. Further, Developer's Counsel (Whyte Hirschboeck Dudek) has considerable NMTC project experience within the State of Wisconsin.

ANNUAL CASH FLOWS AND PRO-FORMA

Annual cash flows and pro-forma for term of Project financing for a minimum of 10 years, by block and major component are included at the end of this Chapter. Proformas that will be found there are

1. Block 88 – Full Service Hotel
2. Block 105 – Office/Retail
3. Block 105 – Residential

NET CASH ON CASH RETURNS

Net cash on cash returns by block and major component are reflected within the proformas included at the end of this Section.

HOTEL BRAND

JG is fully committed to build a full service Marriott Hotel so long as a financial agreement that meets project needs is reached. In the event one is not reached, JG reserves the right to have another national brand hotel selected.





CHAPTER 14 – PUBLIC PRIVATE FINANCIAL PLAN

2. Table A

TABLE A														
JUDGE DOYLE SQUARE DEVELOPMENT					PROJECT SOURCE & USES									
MADISON, WI					25-SEP-13									
	BLOCK 88				BLOCK 105								Project Totals	
	Marriott Hotel	City Fleet Parking			Retail/Office	Residential	Bicycle Center	City Garage						
Net Area (Conditioned)	282,100 SF	0 SF			63,870 SF	164,576 SF	3,000 SF						513,546 SF	
Garage Area	92,547 SF	15,753 SF			67,200 SF	70,350 SF	3,150 SF						458,668 SF	
Gross Square Feet	374,647 SF	15,753 SF			131,070 SF	234,926 SF	6,150 SF						972,214 SF	
Parking	235 Spcs	40 Spcs			192 Spcs	201 Spcs	9 Spcs						1,275 Spcs	
Unit	352 Keys	40 Spcs			63,870 SF	134 Units	3,000 SF							
Sources														
First Mortgage	\$ 50,315,708	52.3%	\$ -	0.0%	\$ 14,309,939	75.0%	\$ 24,479,992	75.0%	\$ -	0.0%	\$ -	0.0%	\$ 89,105,639	49.8%
Parking Utility Reserve Contribution	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ 9,000,000	32.3%	\$ 9,000,000	5.0%
City Bonds (Parking)	\$ -	0.0%	\$ 2,005,158	100%	\$ -	0.0%	\$ -	0.0%	\$ 951,300	100.0%	\$ 18,878,909	67.7%	\$ 21,835,367	12.2%
TIF Loan	\$ 38,135,725	39.6%	\$ -	0.0%	\$ 3,229,759	16.9%	\$ 5,371,415	16.5%	\$ -	0.0%	\$ -	0.0%	\$ 46,736,899	26.1%
New Market Tax Credits	\$ 3,523,280	3.7%	\$ -	0.0%	\$ 616,574	3.2%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ 4,139,854	2.3%
Sponsor/Investor Equity	\$ 4,310,879	4.5%	\$ -	0.0%	\$ 923,647	4.8%	\$ 2,788,582	8.5%	\$ -	0.0%	\$ -	0.0%	\$ 8,023,108	4.5%
Total Sources	\$ 96,285,592	100%	\$ 2,005,158	100%	\$ 19,079,919	100%	\$ 32,639,989	100%	\$ 951,300	100%	\$ 27,878,909	100%	\$178,840,868	100%
Uses														
Land/Air-Rights Allocation	\$ 1	0.0%	\$ -	0.0%	\$ 1,179,447	6.2%	\$ 2,114,006	6.5%	\$ -	0.0%	\$ -	0.0%	\$ 3,293,455	1.8%
Construction Costs														
Sitework/Streetscape	\$ 990,359	1.0%	\$ 41,641	2.1%	\$ 123,750	0.6%	\$ 750,000	2.3%	\$ 61,875	6.5%	\$ 247,500	0.9%	\$ 2,215,125	1.2%
Garage Construction	\$ 6,941,045	7.2%	\$ 1,197,190	59.7%	\$ 3,696,000	19.4%	\$ 3,869,250	incl	\$ 236,250	24.8%	\$ 19,693,104	70.6%	\$ 35,632,839	19.9%
Building Shell		0.0%		0.0%		0.0%	\$ -	incl	\$ 234,103	24.6%		0.0%	\$ 234,103	0.1%
Tenant Interior Allowance		0.0%		0.0%	\$ 1,788,360	9.4%	\$ -	incl	\$ 105,000	11.0%		0.0%	\$ 1,893,360	1.1%
Building Construction	\$ 52,094,906	54.1%	\$ 150,000	7.5%	\$ 7,851,732	41.2%	\$ 17,847,145	54.7%	\$ -	0.0%	\$ 300,000	1.1%	\$ 78,243,783	43.8%
Construction Subtotal	\$ 60,026,310	62.3%	\$ 1,388,831	69.3%	\$ 13,459,842	70.5%	\$ 22,466,395	68.8%	\$ 637,228	67.0%	\$ 20,240,604	72.6%	\$118,219,210	66.1%
Design Contingency	\$ 1,200,526	2.0%	\$ 2,000	3.0%	\$ 269,197	2.0%	\$ 1,012,000	4.5%	\$ 12,745	2.0%	\$ 404,812	2.0%	\$ 2,899,280	2.0%
Development Contingency	\$ 1,800,789	3.0%	\$ 3,000	2.0%	\$ 403,795	3.0%	\$ -	incl	\$ 19,117	3.0%	\$ 607,218	3.0%	\$ 2,830,919	3.0%
Escalation	\$ 1,680,737	2.8%	\$ 38,887	2.8%	\$ 376,876	2.8%	\$ -	incl	\$ 17,842	2.8%	\$ 566,737	2.8%	\$ 2,681,079	2.3%
Total Construction Costs	\$ 64,708,362	67.2%	\$ 1,427,718	71.2%	\$ 14,509,710	76.0%	\$ 23,478,395	71.9%	\$ 686,932	72.2%	\$ 21,819,371	78.3%	\$126,630,488	70.8%
FF&E	\$ 8,229,767	8.5%	\$ -	0.0%	\$ -	0.0%	\$ 325,000	1.0%	\$ -	0.0%	\$ -	0.0%	\$ 8,554,767	4.8%
Total Land/Constr/FF&E	\$ 72,938,130	75.8%	\$ 1,427,718	71.2%	\$ 15,689,157	82.2%	\$ 25,917,401	79.4%	\$ 686,932	72.2%	\$ 21,819,371	78.3%	\$138,478,710	77.4%
Pre-Construction Cost														
Architectural and Engineering	\$ 3,323,365	3.5%	\$ 64,247	3.2%	\$ 652,937	3.4%	\$ 1,012,002	3.1%	\$ 30,912	3.2%	\$ 981,872	3.5%	\$ 6,065,335	3.4%
Other Consultants	\$ 498,505	0.5%	\$ 9,637	0.5%	\$ 97,941	0.5%	\$ 60,000	0.2%	\$ 4,637	0.5%	\$ 147,281	0.5%	\$ 818,001	0.5%
Technical Service Fees	\$ 352,000	0.4%		0.0%		0.0%		0.0%		0.0%		0.0%	\$ 352,000	0.2%
Permits/Fees	\$ 647,084	0.7%	\$ 14,277	0.7%	\$ 145,097	0.8%	\$ 429,850	1.3%	\$ 6,869	0.7%	\$ 218,194	0.8%	\$ 1,461,371	0.8%
Bonds/Insurance/Builder's Risk	\$ 1,617,709	1.7%	\$ 35,693	1.8%	\$ 362,743	1.9%	\$ 100,000	0.3%	\$ 17,173	1.8%	\$ 545,484	2.0%	\$ 2,678,802	1.5%
Legal and Accounting	\$ 323,542	0.3%	\$ 7,139	0.4%	\$ 72,549	0.4%	\$ 400,000	1.2%	\$ 3,435	0.4%	\$ 109,097	0.4%	\$ 915,762	0.5%
Property Taxes during Construction	\$ 925,573	1.0%		0.0%	\$ 207,974	1.1%	\$ 349,571	1.1%		0.0%		0.0%	\$ 1,483,118	0.8%
Other/Pre-Construction Costs	\$ 161,771	0.2%	\$ 3,569	0.2%	\$ 36,274	0.2%	\$ 39,000	0.1%	\$ 1,717	0.2%	\$ 54,548	0.2%	\$ 296,879	0.2%
Soft Cost Contingency	\$ 392,477	0.4%	\$ 6,728	0.3%	\$ 78,776	0.4%	\$ 175,000	0.5%	\$ 3,237	0.3%	\$ 102,824	0.4%	\$ 759,042	0.4%
Subtotal Pre-Construction Cost	\$ 8,242,026	8.6%	\$ 141,290	7.0%	\$ 1,654,291	8.7%	\$ 2,565,423	7.9%	\$ 67,980	7.1%	\$ 2,159,300	7.7%	\$ 14,830,310	8.3%
Soft Costs														
Franchise Fees	\$ 176,000	0.2%		0.0%		0.0%		0.0%		0.0%		0.0%	\$ 176,000	0.1%
Marketing/Pre-Opening Expense	\$ 1,760,000	1.8%		0.0%		0.0%	\$ 300,000	0.9%		0.0%		0.0%	\$ 2,060,000	1.2%
Capitalized Interest Fund	\$ 2,340,000	2.4%	\$ 252,240	12.6%	\$ 175,320	0.9%		0.0%	\$ 112,270	11.8%	\$ 1,992,000	7.1%	\$ 4,871,830	2.7%
Interest Reserve	\$ 585,000	0.6%	\$ 63,060	3.1%	\$ 43,830	0.2%	\$ 225,000	0.7%	\$ 28,070	3.0%	\$ 498,000	1.8%	\$ 1,442,960	0.8%
Cost of Issuance	\$ 198,000	0.2%	\$ 23,000	1.1%	\$ 148,000	0.8%		0.0%	\$ 10,000	1.1%	\$ 166,000	0.6%	\$ 545,000	0.3%
Finance Fees on Private Debt	\$ 1,180,000	1.2%		0.0%	\$ 208,000	1.1%	\$ 214,132	0.7%		0.0%		0.0%	\$ 1,602,132	0.9%
Project Management Costs	\$ 1,806,001	1.9%	\$ 39,447	2.0%	\$ 290,595	1.5%	\$ 408,000	1.3%	\$ 18,340	1.9%	\$ 432,231	1.6%	\$ 2,994,614	1.7%
Construction Period Interest	\$ 3,552,000	3.7%		0.0%	\$ 315,000	1.7%	\$ 915,033	2.8%		0.0%		0.0%	\$ 4,782,033	2.7%
Deposit to Operating Reserves	\$ 704,000	0.7%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%	\$ 704,000	0.4%
Subtotal Soft Costs	\$ 12,301,001	12.8%	\$ 377,747	18.8%	\$ 1,180,745	6.2%	\$ 2,062,165	6.3%	\$ 168,680	17.7%	\$ 3,088,231	11.1%	\$ 19,178,569	10.7%
Total Land/Hard/Soft Costs	\$ 93,481,157	97.1%	\$ 1,946,755	97.1%	\$ 18,524,193	97.1%	\$ 30,544,989	93.6%	\$ 923,592	97.1%	\$ 27,066,902	97.1%	\$172,487,589	96.4%
Development Fees	\$ 2,804,435	3.0%	\$ 58,403	3.0%	\$ 555,726	3.0%	\$ 2,095,000	6.9%	\$ 27,708	3.0%	\$ 812,007	3.0%	\$ 6,353,279	3.7%
Rounding	\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
Total Uses	\$ 96,285,592	100%	\$ 2,005,158	100%	\$ 19,079,919	100%	\$ 32,639,989	100%	\$ 951,300	100%	\$ 27,878,909	100%	\$178,840,868	100%
Cost/SF	\$ 341.32	/SF	\$ 127.29	/SF	\$ 298.73	/SF	\$ 198.33	/SF	\$ 317.10	/SF	\$ 132.97	/SF		
Cost/Unit	\$ 273.539	/Key	\$ 50,129	/Spc	\$ 299	/SF	\$ 243,582	/Unit	\$ 317.10	/SF	\$ 46,620	/Spc		



CHAPTER 14 – PUBLIC PRIVATE FINANCIAL PLAN

3. New Market Tax Credit Worksheet

Assumptions:

	<u>Marriott Hotel</u>	<u>Retail/Office</u>	<u>Residential</u>
NMTC allocation	\$ 20,000,000	\$ 3,500,000	\$ 6,500,000
NMTC credit rate	39%	39%	39%
NMTC discount rate	72%	72%	72%

Closing and Placement Fees

NMTC closing fee (based on NMTC Allocation)	6.00%	6.00%	6.00%
Legal, Accounting and Tax fees	2.00%	2.00%	2.00%
Brokerage fees and expenses (based on Gross NMTC Sale Proceeds)	4.50%	4.50%	4.50%

Annual Expenses

NMTC annual fee	0.00%	0.00%	0.00%
NMTC annual expenses	0.15%	0.15%	0.15%

Calculations:

Actual NMTC at NMTC credit rate	\$ 7,800,000	\$ 1,365,000	\$ 2,535,000
Gross NMTC sale proceeds at NMTC discount rate	\$ 5,616,000	\$ 982,800	\$ 1,825,200
LESS: NMTC closing fee, legal, accounting and tax fees	\$ 1,600,000	\$ 280,000	\$ 520,000
LESS: Brokerage fees and expenses	\$ 252,720	\$ 44,226	\$ 82,134
LESS: Annual fees and expenses (escrowed at closing)			
End Year 1	\$ 30,000	\$ 5,250	\$ 9,750
End Year 2	\$ 30,000	\$ 5,250	\$ 9,750
End Year 3	\$ 30,000	\$ 5,250	\$ 9,750
End Year 4	\$ 30,000	\$ 5,250	\$ 9,750
End Year 5	\$ 30,000	\$ 5,250	\$ 9,750
End Year 6	\$ 30,000	\$ 5,250	\$ 9,750
End Year 7	\$ 30,000	\$ 5,250	\$ 9,750
End Year 8	\$ 30,000	\$ 5,250	\$ 9,750
Total annual fees and expenses	\$ 240,000	\$ 42,000	\$ 78,000
Net NMTC sale proceeds after fees and expenses	\$ 3,523,280	\$ 616,574	\$ 1,145,066
	17.62%	17.62%	17.62%



CHAPTER 14 – PUBLIC PRIVATE FINANCIAL PLAN

4. Annual Cash Flows and Proforma – Block 88, Full Service Hotel

Marriott Hotel 10-YEAR PROFORMA Madison, WI																					
	Rooms Available Occupancy ADR	128,480 63.00% \$152.00	Rooms Available Occupancy ADR	128,480 69.00% \$156.56	Rooms Available Occupancy ADR	128,480 74.00% \$161.26	Rooms Available Occupancy ADR	128,480 74.00% \$166.09	Rooms Available Occupancy ADR	128,480 74.00% \$171.08	Rooms Available Occupancy ADR	128,480 74.00% \$176.21	Rooms Available Occupancy ADR	128,480 74.00% \$181.50	Rooms Available Occupancy ADR	128,480 74.00% \$186.94	Rooms Available Occupancy ADR	128,480 74.00% \$192.55	Rooms Available Occupancy ADR	128,480 74.00% \$198.33	
	2017		2018		2019		2020		2021		2022		2023		2024		2025		2026		
Sales Revenue	% of Rev		% of Rev		% of Rev		% of Rev		% of Rev		% of Rev		% of Rev		% of Rev		% of Rev		% of Rev		
Room Revenue	\$12,303,000	65.7%	\$13,879,000	66.0%	\$15,332,000	66.3%	\$15,791,000	71.1%	\$16,265,000	71.2%	\$16,753,000	71.4%	\$17,256,000	71.5%	\$17,773,000	71.6%	\$18,307,000	71.7%	\$18,856,000	71.8%	
Food & Beverage	\$4,921,200	26.3%	\$5,551,600	26.4%	\$6,132,800	26.5%	\$4,737,300	21.3%	\$4,879,500	21.4%	\$5,025,900	21.4%	\$5,176,800	21.4%	\$5,331,900	21.5%	\$5,492,100	21.5%	\$5,656,800	21.5%	
Parking	\$566,597	3.0%	\$620,558	3.0%	\$665,526	2.9%	\$665,526	3.0%	\$665,526	2.9%	\$665,526	2.8%	\$665,526	2.8%	\$665,526	2.7%	\$665,526	2.6%	\$665,526	2.5%	
Other	\$246,060	1.3%	\$277,580	1.3%	\$306,640	1.3%	\$315,820	1.4%	\$325,300	1.4%	\$335,060	1.4%	\$345,120	1.4%	\$355,460	1.4%	\$366,140	1.4%	\$377,120	1.4%	
City Rental Payments	\$700,000	3.7%	\$700,000	3.3%	\$700,000	3.0%	\$700,000	3.2%	\$700,000	3.1%	\$700,000	3.0%	\$700,000	2.9%	\$700,000	2.8%	\$700,000	2.7%	\$700,000	2.7%	
Net Sales Revenue	\$18,736,857	100.0%	\$21,028,738	100.0%	\$23,136,966	100.0%	\$22,209,646	100.0%	\$22,835,326	100.0%	\$23,479,486	100.0%	\$24,143,446	100.0%	\$24,825,886	100.0%	\$25,530,766	100.0%	\$26,255,446	100.0%	
Total Revenues	\$18,737,000	\$146	\$21,029,000	\$164	\$23,137,000	\$160	\$22,210,000	\$173	\$22,835,000	\$178	\$23,479,000	\$183	\$24,143,000	\$188	\$24,826,000	\$193	\$25,531,000	\$199	\$26,255,000	\$204	
Departmental Expenses	% of Dep		% of Dep		% of Dep		% of Dep		% of Dep		% of Dep		% of Dep		% of Dep		% of Dep		% of Dep		
Rooms	\$3,075,750	25.0%	\$3,192,170	23.0%	\$3,219,720	21.0%	\$3,316,110	21.0%	\$3,415,650	21.0%	\$3,518,130	21.0%	\$3,623,760	21.0%	\$3,732,330	21.0%	\$3,844,470	21.0%	\$3,959,760	21.0%	
Food & Beverage	\$3,543,264	72.0%	\$3,997,152	72.0%	\$4,415,616	72.0%	\$4,415,616	72.0%	\$4,513,240	72.0%	\$4,618,648	72.0%	\$4,727,296	72.0%	\$4,838,968	72.0%	\$4,954,312	72.0%	\$5,072,896	72.0%	
Parking	\$113,319	20.0%	\$124,112	20.0%	\$133,105	20.0%	\$133,105	20.0%	\$133,105	20.0%	\$133,105	20.0%	\$133,105	20.0%	\$133,105	20.0%	\$133,105	20.0%	\$133,105	20.0%	
Other Revenue Exp	\$73,818	30.0%	\$83,274	30.0%	\$91,982	30.0%	\$94,746	30.0%	\$97,590	30.0%	\$100,518	30.0%	\$103,536	30.0%	\$106,638	30.0%	\$109,842	30.0%	\$113,136	30.0%	
Total Departmental Expenses	\$6,806,151	36.3%	\$7,396,708	35.2%	\$7,860,433	34.0%	\$8,594,817	31.4%	\$7,199,585	31.4%	\$7,199,585	31.4%	\$7,387,697	31.4%	\$7,811,041	31.5%	\$8,041,729	31.5%	\$8,278,897	31.5%	
Gross Profit	\$11,930,849	64%	\$13,632,292	65%	\$15,276,567	66%	\$15,225,183	69%	\$15,675,415	69%	\$16,106,599	69%	\$16,555,303	69%	\$17,014,959	69%	\$17,488,271	69%	\$17,976,103	68%	
General & Admin	\$1,686,330	9.0%	\$1,892,610	9.0%	\$2,082,330	9.0%	\$1,998,900	9.0%	\$2,055,150	9.0%	\$2,113,110	9.0%	\$2,172,870	9.0%	\$2,234,340	9.0%	\$2,297,790	9.0%	\$2,362,950	9.0%	
Marketing	\$993,061	5.3%	\$925,276	4.4%	\$925,480	4.0%	\$844,980	3.8%	\$844,985	3.7%	\$868,723	3.7%	\$893,291	3.7%	\$918,562	3.7%	\$944,647	3.7%	\$971,435	3.7%	
Operator Charges / Franchise Fees	\$1,073,638	5.7%	\$1,347,524	6.4%	\$1,701,146	7.4%	\$1,668,251	7.5%	\$1,717,405	7.5%	\$1,768,010	7.5%	\$1,820,172	7.5%	\$1,873,784	7.5%	\$1,929,160	7.6%	\$1,986,092	7.6%	
Property Operations & Maintenance	\$749,000	4.0%	\$883,000	4.2%	\$1,018,000	4.4%	\$977,000	4.4%	\$1,005,000	4.4%	\$1,033,000	4.4%	\$1,062,000	4.4%	\$1,092,000	4.4%	\$1,123,000	4.4%	\$1,155,000	4.4%	
Utilities	\$749,000	4.0%	\$841,000	4.0%	\$925,000	4.0%	\$888,000	4.0%	\$913,000	4.0%	\$939,000	4.0%	\$966,000	4.0%	\$993,000	4.0%	\$1,021,000	4.0%	\$1,050,000	4.0%	
Management Fees	\$562,000	3.0%	\$631,000	3.0%	\$694,000	3.0%	\$666,000	3.0%	\$685,000	3.0%	\$704,000	3.0%	\$724,000	3.0%	\$745,000	3.0%	\$766,000	3.0%	\$788,000	3.0%	
Property Taxes	\$1,640,808	8.8%	\$1,657,216	7.9%	\$1,673,789	7.2%	\$1,690,526	7.6%	\$1,707,432	7.5%	\$1,724,506	7.3%	\$1,741,751	7.2%	\$1,759,169	7.1%	\$1,776,760	7.0%	\$1,794,528	6.8%	
Insurance	\$94,000	0.5%	\$105,000	0.5%	\$116,000	0.5%	\$111,000	0.5%	\$114,000	0.5%	\$117,000	0.5%	\$121,000	0.5%	\$124,000	0.5%	\$128,000	0.5%	\$131,000	0.5%	
Total Expenses	\$7,547,838	40%	\$8,282,626	39%	\$9,135,744	39%	\$8,843,658	40%	\$9,041,882	40%	\$9,267,349	39%	\$9,501,084	39%	\$9,739,855	39%	\$9,986,358	39%	\$10,239,004	39%	
Net Operating Income	\$4,383,011	23%	\$5,349,666	25%	\$6,140,822	27%	\$6,411,525	29%	\$6,633,533	29%	\$6,841,249	29%	\$7,054,219	29%	\$7,275,104	29%	\$7,502,913	29%	\$7,737,098	29%	
FF&E Reserve	\$187,000	1.00%	\$421,000	2.00%	\$694,000	3.0%	\$888,000	4.0%	\$913,000	4.0%	\$939,000	4.0%	\$966,000	4.0%	\$993,000	4.0%	\$1,021,000	4.0%	\$1,050,000	4.0%	
NOI After Reserves	\$4,196,000	22.39%	\$4,928,000	23%	\$5,447,000	24%	\$5,524,000	25%	\$5,721,000	25%	\$5,902,000	25%	\$6,088,000	25%	\$6,282,000	25%	\$6,482,000	25%	\$6,687,000	25%	
Senior Debt Service *	DSC		DSC		DSC		DSC		DSC		DSC		DSC		DSC		DSC		DSC		
	(\$3,751,003)	1.12x	(\$3,751,003)	1.31x	(\$3,751,003)	1.45x	(\$3,751,003)	1.47x	(\$3,751,003)	1.53x	(\$3,751,003)	1.57x	(\$3,751,003)	1.62x	(\$3,751,003)	1.67x	(\$3,751,003)	1.73x	(\$3,751,003)	1.78x	
Investment Analysis:																					
Equity	\$	4,310,879																			
Annual Cash on Cash Return	10.32%		27.33%		39.34%		41.13%		45.70%		49.90%		54.21%		58.71%		63.35%		68.11%		
Yield on Equity (IRR)	17.68%																				
Yield on Equity (IRR) after Sale	24.32%																				
CFADS	\$ (4,310,879)	\$444,997	\$1,177,997	\$1,695,997	\$1,772,997	\$1,969,997	\$2,150,997	\$2,336,997	\$2,530,997	\$2,730,997	\$2,935,997										
PROFORMA SALE																					
Terminal Cap Rate	7.5%																				
10th Year NOI	\$	6,637,000																			
Implied Value	\$	89,160,000																			
Sales Costs @ 6%	\$	(5,349,600)																			
Mortgage Balance	\$	(39,243,606)																			
Less Original Equity	\$	(4,310,879)																			
Net Sales Proceeds	\$	40,255,915																			



CHAPTER 14 – PUBLIC PRIVATE FINANCIAL PLAN

4. Annual Cash Flows and Proforma – Block 105, Office/Retail

JUDGE DOYLE SQUARE DEVELOPMENT OFFICE/RETAIL SPACE 10-YEAR STABILIZED OPERATING PROFORMA											
Total Square Footage Retail/Office		63,870									
Annual Rent per sq. ft.	\$	20.00									
NNN	\$	12.33									
		2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
INCOME											
Rental Income	61.86%	\$ 1,277,400	\$ 1,315,722	\$ 1,355,194	\$ 1,395,849	\$ 1,437,725	\$ 1,480,857	\$ 1,525,282	\$ 1,571,041	\$ 1,618,172	\$ 1,666,717
NNN	38.14%	\$ 787,641	\$ 804,093	\$ 820,966	\$ 838,274	\$ 856,027	\$ 874,240	\$ 892,923	\$ 912,092	\$ 931,760	\$ 951,941
TOTAL INCOME	100.00%	\$ 2,065,041	\$ 2,119,815	\$ 2,176,160	\$ 2,234,123	\$ 2,293,752	\$ 2,355,096	\$ 2,418,206	\$ 2,483,133	\$ 2,549,932	\$ 2,618,658
EXPENSES:											
UTILITIES	8.81%	\$ 181,919	\$ 187,376	\$ 192,997	\$ 198,787	\$ 204,751	\$ 210,893	\$ 217,220	\$ 223,737	\$ 230,449	\$ 237,362
JANITORIAL	0.04%	\$ 776	\$ 799	\$ 823	\$ 847	\$ 873	\$ 899	\$ 926	\$ 954	\$ 982	\$ 1,012
DUMPSTER	1.60%	\$ 32,996	\$ 33,986	\$ 35,006	\$ 36,056	\$ 37,138	\$ 38,252	\$ 39,399	\$ 40,581	\$ 41,799	\$ 43,053
ELEVATOR SRV	0.04%	\$ 757	\$ 780	\$ 803	\$ 827	\$ 852	\$ 877	\$ 904	\$ 931	\$ 959	\$ 988
LANDSCAPE	5.24%	\$ 108,214	\$ 111,461	\$ 114,804	\$ 118,249	\$ 121,796	\$ 125,450	\$ 129,213	\$ 133,090	\$ 137,083	\$ 141,195
PEST CONTROL	1.48%	\$ 30,659	\$ 31,579	\$ 32,526	\$ 33,502	\$ 34,507	\$ 35,542	\$ 36,609	\$ 37,707	\$ 38,838	\$ 40,003
SECURITY/FIRE	0.07%	\$ 1,390	\$ 1,432	\$ 1,475	\$ 1,519	\$ 1,565	\$ 1,612	\$ 1,660	\$ 1,710	\$ 1,761	\$ 1,814
SNOW REMOVAL	0.82%	\$ 16,903	\$ 17,410	\$ 17,933	\$ 18,470	\$ 19,025	\$ 19,595	\$ 20,183	\$ 20,789	\$ 21,412	\$ 22,055
MISC. MAINTENANCE	1.49%	\$ 30,710	\$ 31,632	\$ 32,580	\$ 33,558	\$ 34,565	\$ 35,602	\$ 36,670	\$ 37,770	\$ 38,903	\$ 40,070
CABLE	0.73%	\$ 15,000	\$ 15,450	\$ 15,914	\$ 16,391	\$ 16,883	\$ 17,389	\$ 17,911	\$ 18,448	\$ 19,002	\$ 19,572
CONTRACT LABOR	0.04%	\$ 810	\$ 834	\$ 859	\$ 885	\$ 912	\$ 939	\$ 967	\$ 996	\$ 1,026	\$ 1,057
PROPERTY TAXES	17.38%	\$ 358,862	\$ 362,451	\$ 366,075	\$ 369,736	\$ 373,433	\$ 377,168	\$ 380,939	\$ 384,749	\$ 388,596	\$ 392,482
PROPERTY INSURANCE	0.42%	\$ 8,644	\$ 8,904	\$ 9,171	\$ 9,446	\$ 9,729	\$ 10,021	\$ 10,322	\$ 10,631	\$ 10,950	\$ 11,279
	38.14%	\$ 787,641	\$ 804,093	\$ 820,966	\$ 838,274	\$ 856,027	\$ 874,240	\$ 892,923	\$ 912,092	\$ 931,760	\$ 951,941
MANAGEMENT FEE	2.47%	\$ 51,096	\$ 52,629	\$ 54,208	\$ 55,834	\$ 57,509	\$ 59,234	\$ 61,011	\$ 62,842	\$ 64,727	\$ 66,669
Total Expenses	40.62%	\$ 838,737	\$ 856,721	\$ 875,174	\$ 894,108	\$ 913,536	\$ 933,474	\$ 953,935	\$ 974,934	\$ 996,487	\$ 1,018,610
Net Income before Debt Service	59.38%	\$ 1,226,304	\$ 1,263,093	\$ 1,300,986	\$ 1,340,015	\$ 1,380,216	\$ 1,421,622	\$ 1,464,271	\$ 1,508,199	\$ 1,553,445	\$ 1,600,049
First Mortgage	51.66%	\$ 1,066,797	\$ 1,066,797	\$ 1,066,797	\$ 1,066,797	\$ 1,066,797	\$ 1,066,797	\$ 1,066,797	\$ 1,066,797	\$ 1,066,797	\$ 1,066,797
Net Income after Debt Service	7.72%	\$ 159,507	\$ 196,296	\$ 234,189	\$ 273,219	\$ 313,419	\$ 354,826	\$ 397,474	\$ 441,403	\$ 486,649	\$ 533,252
DSCR		1.15	1.18	1.22	1.26	1.29	1.33	1.37	1.41	1.46	1.50
INVESTMENT ANALYSIS											
Equity	\$	1,540,221									
Annual Cash on Cash Return		10.36%	12.74%	15.20%	17.74%	20.35%	23.04%	25.81%	28.66%	31.60%	34.62%
Yield on Equity (IRR)		14.03%									
Yield on Equity (IRR) upon Sale		24.35%									
Proforma Sale											
Terminal Cap Rate		8.00%									
10th Year NOI		1,600,049									
Implied Value		20,000,607									
Mortgage Balance		11,161,000									
Less Original Equity		1,540,221									
Sales Costs @ 6%		1,200,036									
Net Sales Proceeds	\$	6,099,350									
Sources											
							Rate	Term (Yrs)			
First Mortgage	\$	14,309,939					75.0%	5.5%	25		
TIF Loan	\$	3,229,759					16.9%				
New Market Tax Credits	\$	616,574					3.2%				
Sponsor/Investor Equity	\$	923,647					4.8%				
Total Sources	\$	19,079,919					100.0%				



CHAPTER 14 – PUBLIC PRIVATE FINANCIAL PLAN

4. Annual Cash Flows and Proforma – Block 105, Residential

The Residence @

JDS

E. Wilson Street Madison WI

Scenario: 7 Stories Apts in 2 towers

Forecasted Statement of Reportable Income and Distributable Cash Flow

Year Number Calendar Year (ending December 31)		1 2016	2 2017	3 2018	4 2019	5 2020	6 2021	7 2022	8 2023	9 2024	10 2025	11 2026
	%											
Revenue												
Apartment Rents	95.2%	2,943,813	3,032,127	3,123,091	3,216,784	3,313,287	3,412,686	3,515,066	3,620,518	3,729,134	3,841,008	3,956,238
Commercial Space Rent	0.0%	0	0	0	0	0	0	0	0	0	0	0
Laundry Income	0.0%	0	0	0	0	0	0	0	0	0	0	0
Parking Rent	4.8%	150,000	154,500	159,135	163,909	168,826	173,891	179,108	184,481	190,016	195,716	201,587
Potential Gross Income	100.0%	3,093,813	3,186,627	3,282,226	3,380,693	3,482,114	3,586,577	3,694,174	3,805,000	3,919,150	4,036,724	4,157,826
Vacancy Loss	4.0%	123,753	127,465	131,289	135,228	139,285	143,463	147,767	152,200	156,766	161,469	166,313
Collection Loss	1.0%	30,938	31,866	32,822	33,807	34,821	35,866	36,942	38,050	39,191	40,367	41,578
Total Vacancy and Collection Loss	5.0%	154,691	159,331	164,111	169,035	174,106	179,329	184,709	190,250	195,957	201,836	207,891
Effective Gross Income	95.0%	2,939,122	3,027,296	3,118,115	3,211,658	3,308,008	3,407,248	3,509,466	3,614,750	3,723,192	3,834,888	3,949,934
Operating Expenses (Residential)												
Real Estate Taxes	15.9%	492,170	506,935	522,143	537,808	553,942	570,560	587,677	605,307	623,467	642,171	661,436
Property Insurance	1.0%	30,938	31,866	32,822	33,807	34,821	35,866	36,942	38,050	39,191	40,367	41,578
Liability Insurance	0.5%	15,469	15,933	16,411	16,903	17,411	17,933	18,471	19,025	19,596	20,184	20,789
Administration	1.5%	46,407	47,799	49,233	50,710	52,232	53,799	55,413	57,075	58,787	60,551	62,367
Grounds and CAM	2.0%	61,876	63,733	65,645	67,614	69,642	71,732	73,883	76,100	78,383	80,734	83,157
Snow Removal	0.5%	15,469	15,933	16,411	16,903	17,411	17,933	18,471	19,025	19,596	20,184	20,789
Trash Removal	1.0%	30,938	31,866	32,822	33,807	34,821	35,866	36,942	38,050	39,191	40,367	41,578
Water / Sewer	2.0%	61,876	63,733	65,645	67,614	69,642	71,732	73,883	76,100	78,383	80,734	83,157
Gas / Electric	3.0%	92,814	95,599	98,467	101,421	104,463	107,597	110,825	114,150	117,574	121,102	124,735
Advertising	2.0%	61,876	63,733	65,645	67,614	69,642	71,732	73,883	76,100	78,383	80,734	83,157
Management Fee	4.0%	123,753	127,465	131,289	135,228	139,285	143,463	147,767	152,200	156,766	161,469	166,313
Supplies	0.5%	15,469	15,933	16,411	16,903	17,411	17,933	18,471	19,025	19,596	20,184	20,789
Legal and Accounting	0.5%	15,469	15,933	16,411	16,903	17,411	17,933	18,471	19,025	19,596	20,184	20,789
Miscellaneous	2.0%	61,876	63,733	65,645	67,614	69,642	71,732	73,883	76,100	78,383	80,734	83,157
Total Operating Expenses	36.4%	1,126,402	1,160,194	1,195,000	1,230,850	1,267,775	1,305,809	1,344,983	1,385,332	1,426,892	1,469,699	1,513,790
Net Operating Income	58.6%	1,812,720	1,867,102	1,923,115	1,980,808	2,040,233	2,101,440	2,164,483	2,229,417	2,296,300	2,365,189	2,436,144
Non-Operating Income / (Expense)												
Interest Income	0.5%	14,696	15,136	15,591	16,058	16,540	17,036	17,547	18,074	18,616	19,174	
Depreciation	18.6%	(576,639)	(576,639)	(576,639)	(576,639)	(576,639)	(576,639)	(576,639)	(576,639)	(576,639)	(576,639)	
Amortization	0.0%	0	0	0	0	0	0	0	0	0	0	
Interest Expense	41.3%	(1,276,972)	(1,258,408)	(1,238,845)	(1,218,230)	(1,196,506)	(1,173,614)	(1,149,491)	(1,124,070)	(1,097,282)	(1,069,054)	
Total Non-Operating Income / (Expense)	59.4%	(1,838,916)	(1,819,911)	(1,799,894)	(1,778,811)	(1,756,805)	(1,733,217)	(1,708,583)	(1,682,636)	(1,655,306)	(1,626,519)	
Reportable Income	-0.8%	(26,196)	47,191	123,221	201,997	283,627	368,223	455,900	546,782	640,994	738,670	
Plus: Depreciation and Amortization	18.6%	576,639	576,639	576,639	576,639	576,639	576,639	576,639	576,639	576,639	576,639	
Less: Principal Reduction of Debt	11.2%	345,181	363,745	383,308	403,923	425,647	448,539	472,662	498,083	524,871	553,099	
Replacement Reserve	2.0%	61,876	63,733	65,645	67,614	69,642	71,732	73,883	76,100	78,383	80,734	
Cash Flow	4.6%	143,386	196,353	250,908	307,100	364,977	424,591	485,994	549,238	614,380	681,476	
Cash Flow per Unit		1,070	1,465	1,872	2,292	2,724	3,169	3,627	4,099	4,585	5,086	
Total Equity		8,159,997										15,169,464
Investment Cash Flows		(8,159,997)	143,386	196,353	250,908	307,100	364,977	424,591	485,994	549,238	614,380	15,850,939
Annual Cash on Cash Return		1.76%	2.41%	3.07%	3.76%	4.47%	5.20%	5.96%	6.73%	7.53%	194.25%	
Cumulative COC Return		1.76%	4.16%	7.24%	11.00%	15.47%	20.68%	26.63%	33.36%	40.89%	235.15%	
Yield on Equity (IRR)	9.8%											
Debt Service Coverage Ratio (DSCR)		1.12	1.15	1.19	1.22	1.26	1.30	1.33	1.37	1.42	1.46	
Cap Rate (Implied)		5.55%	5.72%	5.89%	6.07%	6.25%	6.44%	6.63%	6.83%	7.04%	7.25%	
Property Value												
Based on Terminal Cap Rate	6.50%	27,888,004	28,724,644	29,586,383	30,473,975	31,388,194	32,329,840	33,299,735	34,298,727	35,327,689	36,387,520	
Assumptions												
Number of U/G parking stalls	100											
Parking Stall Ratio (Stalls / Units)	0.75											
Monthly Rent per stall	\$125											
Laundry Income (per bed / per month)	\$0											
See Unit Mix Sheet:												
Number of Units	134											
Total Monthly rent	245,318											
Total Annual rent	2,943,813											
Rent Escalation	3.0%											
Operating Expenses Growth	3.0%											
Interest Income (Operating Account)	0.5%											
Commercial Space for Lease	0											
Commercial Lease Rate (NNN)	\$14.00											
Annual Commercial Rent	\$0											
Debt Costs												
Development Cost					32,639,990							
Loan to Value Ratio					87.78%							
Amount Financed					24,479,993							
Amortization Period					30 years							
Interest					5.25%							
Monthly Debt Service					135,179							
Annual Debt Service					1,622,153							
Real Estate Taxes												
Land					2,119,581							
Improvement					22,488,935							
Total					24,608,516							
Land Proportion of Assessment					8.6%							
Improvement Proportion of Assessment					91.4%							
Real Estate Tax Mill Rate:					0.025000							
2016 Real Estate Tax Basis					80.00%							
2016 Real Estate Taxes					492,170							
Proforma Sale												
Terminal Cap Rate									6.50%			
11th Year NOI										2,436,144		
Implied Value											37,479,145	
Mortgage Balance											20,060,933	
Sales Costs @								6.0%			2,248,749	
Net Sale Proceeds												15,169,464



CHAPTER 14 – PUBLIC PRIVATE FINANCIAL PLAN

5. Alternate Proposal – Madison Municipal Building (MMB)

MMB - ALTERNATE PROPOSAL FOR THE CITY OF MADISON

Sources and Uses

		MMB			
Capital Structure					
Retained Building Equity	\$	1,146,150		6.5%	
First Mortgage	\$	15,885,639		90.0%	
Cash/Other Equity	\$	618,921		<u>3.5%</u>	
Total Capital Structure	\$	17,650,710		100.0%	
Project Costs					
Building/Site Acquisition	\$	1,146,150		6.5%	
Preconstruction Costs	\$	1,528,200		8.7%	
Hard Construction Costs	\$	13,371,750		75.8%	
Contingency	\$	<u>1,604,610</u>		<u>9.1%</u>	
Total Project Costs	\$	17,650,710		100.0%	
Lower Level		23,000	SF		
First Floor		23,000	SF		
Second Floor		16,501	SF		
Third Floor		<u>13,909</u>	SF		
Total		76,410	SF		
TOTAL PROJECT COSTS	\$	17,650,710	76,410	SQFT @	\$231.00
EQUITY	\$	1,765,071			\$ 1,765,071
LOAN AMOUNT	\$	15,885,639			
ANNUAL DEBT SERVICE			4.25%	20 YEARS	\$1,180,432

LEASE RATE WITH 1.15 DCR

1.15 DCR

GROSS RENT

\$17.77 Plus NNN (expected to be \$8 per year or the city can pay all of the expenses - no property taxes as city is end user)

It is assumed the CITY Of MADISON will vacate all of its spaces when the new construction in Block 105 is complete
 City Of Madison will pay rent and stay on Block 105 for a period of 24 months while the MMB is complete
 City of Madison will lease the current MMB to the Developer for a period of 40 years
 City of Madison will pay rent Of \$17.77 plus NNN as soon as Office space in Block 105 is ready for occupancy
 Since City of Madison is the end user no Property tax shall be payable for the MMB building



6. Metropolitan Capital Advisors – Term Letter



METROPOLITAN CAPITAL ADVISORS, LTD.

Real Estate Investment Banking

September 25, 2013

Mr. Sam Kumar
Journeyman Group
7701 N. Lamar, Suite 100
Austin, Texas 78752

Re: Judge Doyle Square - Framework Letter
Madison, WI

Dear Mr. Kumar:

Below are the primary terms under which Metropolitan Capital Advisors, Ltd. would consider a request for an extension of credit for acquisition and redevelopment of the Judge Doyle Square project. This is not a commitment to lend, but a term sheet setting out a framework for discussion. Any commitment to lend would require the review and approval of prospective Lender's Executive Loan Committee which has been given.

Borrower: Single-asset entity to be organized.

Loan Amount: \$50,300,000 for the Proposed Full-Service Marriot Hotel
\$14,300,000 for the Proposed Retail/Office Component
\$24,500,000 for the Proposed Residential Development

The above loan amounts are not to exceed the appraisal limits as set out below.

Guarantors: Mr. Sam Kumar and Partners with 20% or greater equity

Guaranteed
Amount: Unlimited

Purpose: 1) Provide \$50,300,000 interim construction financing for the construction and term financing for a to-be-built 352 key Marriot hotel along with 243 structured parking spaces.
2) Provide \$14,300,000 interim construction financing for the construction and term financing for a to-be-built 63,870 square foot Retail and Office Mixed Use project along with 192 structured parking spaces.
3) Provide \$24,500,000 interim construction financing for the construction and term financing for a to-be-built 134 unit Residential project along with 201 structured parking spaces.

Collateral: 1) FREM on site of the tract referred to as "Block 88" located in the Judge Royal Square project along with a FREM on a portion of the site of the tract referred to as "Block 105" located in the Judge Royal Square project.
2) Assignment of leases and rents.
3) Assignment of architectural contract.
4) Assignment of construction contract. Related company Journeyman Construction will act as the general contractor and will subcontract all major specialties.
5) Assignment of construction management contract. An affiliate of Journeyman Construction will be engaged for construction management and general conditions.

18111 Preston Road

Suite 650

Dallas, Texas 75252

Phone 972.267.0600

Fax 972.267.0606

www.metcapital.com



6. Metropolitan Capital Advisors – Term Letter

September 25, 2013

Mr. Sam Kumar
Journeyman Group
Page 2 of 3

- Interest Rate:** Option I: Fixed at approximately 5.5% for 60 month term
Option II – Wall Street Journal Prime + .25% approximately floating and adjusted on date of change in base rate with a floor of approximately 5.0%.
- Prepayment:** Option I - Note may be prepaid at any time; however, will be subject to following penalty based on outstanding balance if prepaid after the 24th month:
3% - Months 25-36
2% - Months 37-48
1% - Months 49-54
Option II – Note may be prepaid at any time.
- Maturity:** Note will mature 84 months from its date.
- Repayment Terms:** Beginning one month from its date, Note will be payable interest only for 24 months with monthly amortization of principal and interest beginning the 25th month based on a 20 year amortization until maturity when the remaining principal and any accrued and unpaid interest will be due and payable.
- Collateral Release:** Upon Payment in Full
- Fees:** Origination fee of ½ of 1% (~\$446,000).
- Covenants:**
- 1) During interest only period no distributions, loans or advances to members or entities related to members will be made. Once amortization begins, no distributions, loans or advances to members or entities related to members will be made without prior written consent of Lending Bank, which consent shall not be unreasonably withheld;
 - 2) All deposit accounts for Project to be maintained at Lending Bank;
 - 3) No change in ownership or management without prior written consent of Lending Bank;
 - 4) Loan Advances: Loan will be closed prior to receipt of full stamped plans and specs and advances will be allowed to pay off existing note, for soft costs and dirt work, but no construction based on plans and specifications will be allowed until such plans and specs are received. Advances for construction under the construction contract will be based on percentage of completion using approved schedule of values and detailed on AIA Form G702/703, or such other form approved by Lending Bank. Construction and advances will be monitored by AECC and will be supported by lien waivers;
 - 5) Balance sheet, income statement and compliance certificate to be provided quarterly and annually, beginning with quarter ending 3/31/2014, within 45 days of such quarter end;
 - 6) Borrower and Guarantor(s) will provide copy of Federal tax return by April 30 of each year, which will be extended to October 31 upon receipt of copy of Extensions;
 - 7) Guarantor(s) will provide compiled personal financial statement at least annually within 60 days of each statement anniversary. Such statement(s) will include detailed schedule of real estate investments along with Lending bank and brokerage statements as supporting documentation for liquidity; and

18111 Preston Road

Suite 650

Dallas, Texas 75252

Phone 972.267.0600

Fax 972.267.0606

www.metcapital.com



6. Metropolitan Capital Advisors – Term Letter

September 25, 2013

Mr. Sam Kumar
Journeyman Group
Page 3 of 3

Other

Requirement: Loan is contingent upon receipt and satisfactory review of:

- 1) New appraisal will be required.
- 2) Advances for Marriot Hotel, \$50,300,000 will be limited to lesser of 60% of cost or 70% of the "As Completed" value of Project at completion.
- 3) Advances for \$14,300,000 Retail & Office mixed use project will be limited to lesser of 75% of cost or 80% of the "As Completed" value of Project at completion.
- 4) Advances for \$24,500,000 Residential Component will be limited to lesser of 75% of cost or 80% of the "As Completed" value of Project at completion.
- 5) Title policy with ALTA survey coverage, access and zoning endorsements and such other coverage deemed appropriate by legal counsel.
- 6) New Phase I Environmental Assessment or existing Assessment redirected to Bank along with a new Database search.
- 7) Copy of contract between Borrower and Journeyman Group.
- 8) Copy of construction management contract with Journeyman Group.
- 9) Copy of preliminary plans and specification.
- 10) Copy of final detailed budget.
- 11) Copy of construction schedule.
- 12) AECC review of construction contract, final budget, preliminary plans and specs and construction schedule.
- 13) Outside counsel will prepare loan documents.

In addition to above requirements, the Lending Bank's obligation to fund is conditioned on the Borrower's satisfaction of certain conditions, which may include without limitation compliance with applicable laws, ordinances, codes and regulations, the Borrower obtaining various government approvals and permits, obtaining subordinations, non-disturbance agreements and attornments from tenants, opinions of Borrower's counsel and there being no adverse material changes prior to closing. Moreover, these terms are subject to execution of loan documents in form and substance acceptable to the Lending Bank's outside legal counsel. Certainly those documents will contain conditions, covenants and representations beyond those mentioned in this letter.

I very much appreciate this opportunity to discuss possible terms and work toward a structure beneficial to all parties.

Sincerely,

Todd McNeill
Senior Director / Principal
Metropolitan Capital Advisors



Wells Fargo Bank, N.A.
Middle Market Real Estate
100 E. Wisconsin Avenue
Suite 1400
Milwaukee, WI 53202

James R. Saer
100 E. Wisconsin Ave. Suite 1400
Milwaukee, WI 53202
September 19, 2013

Dear Mr. George Austin:

The purpose of this letter is to inform you of Wells Fargo's interest in providing construction financing to LZ Ventures for the development of a proposed multifamily project at Judge Doyle Square in downtown Madison, WI. Based on preliminary information provided by LZ Ventures, Wells Fargo has estimated construction financing in the range of \$22,000,000 - \$24,000,000 based on a loan-to-value ratio between 70-75%.

Wells Fargo continues to have a strong relationship with the principals of LZ Ventures – Messrs. John Leja and Brad Zellner. The Bank has the desire to grow our existing relationship and considers the Judge Doyle Square project an opportunity for relationship growth. The construction expertise that both Messrs. Leja and Zellner possess would be viewed as a significant strength by Wells Fargo when considering the proposed development.

Please note that this letter should not be taken as a commitment by Wells Fargo to provide construction financing for the subject development, but merely as a method to express our interest in the project.

Thank you.

Sincerely,

James R. Saer
Vice President of Commercial Real Estate
Wisconsin Group Head





8. Letter of Interest – Marcus Hotels & Resorts



September 27, 2013

Mr. Sam Kumar, MS, LEED AP BD+C
President
Journeyman Construction, Inc.
7701, N. Lamar, Ste. 100
Austin, Texas 78752

Re: Judge Doyle Square – Madison, WI

Dear Sam:

In accordance with our conversations, we are pleased to confirm our interest in working with Journeyman Austin Holdings, Inc. and Journeyman construction, Inc. (collectively, "Journeyman") to enter into definitive agreements under which Marcus Hotels, Inc., a Wisconsin corporation, or its affiliate ("Marcus"), would enter into a joint venture with Journeyman to acquire and develop the Block 88 and Block 105 project known as Judge Doyle Square (collectively, the "Project"). Certain details of the proposed transaction are provided in the term sheet attached hereto (the "Term Sheet"). We are enthusiastic about the Project and look forward to finalizing our negotiations with you.

This letter and the Term Sheet outline the general terms under which Marcus would be interested in working with you. We would like to emphasize that, except as expressly set forth below, this letter is not contractually or legally binding on the parties and represents only an expression of our present desire to work together in good faith to negotiate, execute and deliver definitive agreements generally in accordance with the terms and conditions set out in the attached Term Sheet. This letter and the Term Sheet, which is incorporated herein by this reference, are sometimes referred to herein collectively as this "Letter of Intent."

The formation of a joint venture, the purchase of the Project, the form and substance of any and all definitive agreements that may be entered into in connection with such transactions (the "Definitive Agreements") and the execution of any and all Definitive Agreements, are subject in all events to the prior approval of the Board of Directors of Marcus. This Letter of Intent does not obligate either party to proceed with any Definitive Agreements, and neither party may rely on this Letter of Intent as creating any legal obligation of any kind, except for the understandings described in paragraphs 1 through 6 below, which are intended by the parties to be binding obligations. If this Letter of Intent is acceptable to you, we are prepared to commence negotiations on the Definitive Agreements.

100 East Wisconsin Avenue
Suite 1950
Milwaukee, WI 53202
p 414.905.1200
f 414.905.2250
www.marcushotels.com

A division of The Marcus Corporation, a NYSE company.



8. Letter of Interest – Marcus Hotels & Resorts

Please note that we are sending this Letter of Intent to you with the following understandings:

1. For the term of this Letter of Intent, neither Journeyman nor any of its respective agents, affiliates or related companies will negotiate with, market or enter into any agreement regarding the Project or enter into any discussion with any other party regarding the Project or any ownership or management interest therein.
2. This Letter of Intent will remain in effect until the earliest of: (i) the execution of Definitive Agreements; (ii) the effective date of any agreement by the parties to terminate this Letter of Intent; or (iii) the date upon which the City of Madison selects a development team other than the development team of Journeyman and Marcus.
3. No trustee, officer, director, security holder, employee or agent of Marcus or Journeyman will ever have any personal liability for any obligations of Marcus or Journeyman under this Letter of Intent or under the Definitive Agreements.
4. Any public announcements indicating the association of Marcus with the Project, and the timing of such announcements, must be discussed and agreed to in advance by Marcus and Journeyman.
5. Marcus and Journeyman each agree to respect and preserve the confidentiality of all "Confidential Information." "Confidential Information," as used herein, means (i) the existence and contents of this Letter of Intent, and (ii) any information of a proprietary or confidential nature relating to the business or the assets of Marcus, the Project, Journeyman, or any of their respective affiliates or related companies that is not public information known by one or more of the other parties prior to the date of this Letter of Intent. Marcus and Journeyman each agree not to disclose Confidential Information of the other party except as may be required by applicable law (including legal requirements applicable to Marcus as a publicly held company), by court order, or by obligations imposed on the disclosing party pursuant to any listing agreement with any national securities exchange.
6. Journeyman agrees to indemnify and defend Marcus against all claims or losses related to any commissions or finders' fees asserted against Marcus by any third party arising from or relating to the negotiation and execution of this Letter of Intent or the Definitive Agreements. Marcus specifically affirms that it has not dealt with any broker or finder in connection with this Letter of Intent or the Project.

If this Letter of Intent accurately sets forth your understanding of the proposed transaction, please signify your agreement by signing this letter and returning it to me at your earliest convenience. Unless we receive a signed copy of this letter from you by September 30, 2013 this Letter of Intent will expire on that date and have no further force or effect, with the exception of the obligations of the parties set forth in paragraph 5 above.



8. Letter of Interest – Marcus Hotels & Resorts

We look forward to working with you on this exciting project.

Sincerely,

Douglas A. Neis
Treasurer, Marcus Hotels, Inc.

ACKNOWLEDGED, ACCEPTED AND AGREED:

JOURNEYMAN CONSTRUCTION, INC.

By: _____
Title: _____
Date: _____





8. Letter of Interest – Marcus Hotels & Resorts

Term Sheet

Journeyman JV Member:	Journeyman Construction, Inc., and/or its affiliates or assignees.	
Marcus JV Member:	Marcus Hotels, Inc. and/or its affiliates or assignees.	
Project:	a hotel to be constructed at Block 88, known as Judge Doyle Square, in the City of Madison, WI, which will contain approximately 352 rooms, 18,000 square feet of meeting space, 44 parking spaces, 1 restaurant, 1 to 2 bars and retail space.	
Brand:	Marriott preferred, Westin possible.	
Estimate / Proposed Capital Sources:	First Mortgage:	\$59,500,000
	City Bonds:	\$ 3,000,000
	New Market Tax Credits:	\$ 6,300,000
	TIF Bonds:	\$19,300,000
	Member Equity:	Marcus shall invest \$1,500,000 in exchange for a 10% interest in the Project, which shall be treated <i>pari passu</i> with Journeyman's investment.
	The parties acknowledge that the final structure and capitalization of the Project may vary from this Term Sheet based upon a number of factors.	
Definitive Agreement:	A contribution agreement, to be negotiated in good faith and agreed, providing for the later execution of a joint venture agreement, technical services agreement, management agreement and related ancillary agreements and documents.	
Pre-Development / Technical Services:	Marcus to provide design, planning, furnishing and equipping consultation to the Project for a fee of \$275,000 payable in equal monthly installments over 24 months, and at a monthly rate of \$11,460 thereafter, until the opening of the Project to the public, plus out-of-pocket costs and pre-opening expenses.	
Management Agreement:	Once the Project opens for business to the public, Marcus shall manage the Project for a term of 10 years which term may, upon the mutual agreement of the parties in each instance, be extended twice for a period of 5 years for each extension option.	
	Marcus shall earn:	

9042955_2



8. Letter of Interest – Marcus Hotels & Resorts

- a base management fee equal to 3% of gross revenues;
- an incentive management fee, the amount of which is to be determined; and
- an Accounting and Information Technology (“AIT”) fee of \$8000 per month, subject to adjustment, for various property-level reporting and controls.

In each of the first two operating years of the Project only, Marcus shall subordinate (but not waive) a portion of the base management fee not to exceed one percent (1%) of gross revenues to any actual shortfall of working capital in the event that actual working capital is less than needed to pay current operating expenses (excluding debt service) of the Project, provided, however that budgeted operating working capital for the property and the annual funding from the City of Madison, as proposed by that certain Request For Proposal as submitted by Journeyman to the City of Madison on or about September 30, 2013, shall have first been utilized and exhausted each such year to pay current expenses before any such subordination shall be required.



9. Letter of Interest – Marriott Hotel

September 17, 2013

Journeyman Group
Harley Blackburn
Vice President - Preconstruction
7701 N. Lamar, Suite 100
Austin, TX 78752

Re: Proposed Marriott Hotel in Madison, Wisconsin

Dear Mr. Blackburn:

This letter ("Letter Agreement") confirms the intent of Journeyman Group ("Franchisee") and Marriott International, Inc. ("Franchisor") to enter into negotiations regarding a hotel franchise agreement (the "Franchise Agreement") and related agreements under which Franchisor would grant to Franchisee (or its subsidiary) a franchise to operate a full-service Marriott Hotel (the "Hotel") of approximately 352 rooms and its related facilities at Judge Doyle Square (block 88), Madison, Wisconsin (the "Site") as part of the Marriott Hotels and Resorts ("Marriott") system. We are excited about this opportunity and the prospect of working with you on the development and operation of the Hotel as a Marriott hotel (the "Project").

1. Principal Business Terms

The parties have agreed that the following principal business terms will be incorporated into the Franchise Agreement:

A. Application Fee: Franchisee shall pay to Franchisor an application fee equal to \$55,000, of which \$10,000 is due upon application and the balance of which is due at the earlier of (a) the time of execution and delivery of the Franchise Agreement, or (b) six (6) months after Franchisor grants conditional approval of the franchise application.

B. Franchise Fees: Franchisee shall pay to Franchisor the following monthly franchise fees:

<u>Year</u>	<u>% of Gross Room Sales</u>	<u>% of Gross Food & Beverage Sales</u>
1	4%	2%
2	5%	2%
5- 25	6%	3%

C. Marketing Fund Charge: Franchisee shall pay to Franchisor a monthly marketing fund charge of 1% of gross room sales.

D. FF&E Reserve: Each month Franchisee shall transfer into a reserve account for renovations and purchase of furniture, fixtures and equipment an amount equal to the following percentages of gross revenues:

<u>Year</u>	<u>% of Gross Revenues</u>
1	1%
2	2%
3 – 5	3%

637867v1 – MHR Letter of Intent
3/31/12



9. Letter of Interest – Marriott Hotel

Page 2
Marriott Hotel Letter Agreement

6 – 10	4%
11 - 25	5%

- E. Other Fees and Expenses: Franchisee shall pay to Franchisor such other fees and expenses as set forth in the Franchise Disclosure Document (“FDD”) and standard form franchise agreement included in Exhibit C thereto.
- F. Term: The term of the Franchise Agreement shall be for twenty-five (25) years from the date the Hotel opens as a Marriott hotel (the “Opening Date”), with no right to renew.
- G. Trade Area: Franchisor will not authorize the opening of another Marriott hotel for a period of three (3) years after the Opening Date of the Hotel (but not to extend beyond January 1, 2020) within Madison’s city boundary (the “Restricted Territory”). The restrictions set forth in this Paragraph G shall not apply to (i) any Marriott hotel existing or under development within the Restricted Territory as of the effective date of the Franchise Agreement; (ii) any hotel or hotels that are members of a chain of hotels (provided that such chain has a minimum of 4 or more hotels in operation), all or substantially all (but in no event less than 3 hotels) of which is acquired by, or merged with, or franchised by or joined through marketing agreement with, Franchisor or one of its affiliates (or the operation of which is transferred to Franchisor or one of its affiliates); (iii) any hotel or hotels that are members of a group of hotels that is (in a single transaction, or combination of related transactions, with a single seller or transferor) acquired by, or merged with, or franchised by or joined through marketing agreement with, Franchisor or one of its affiliates, or the operation of which is transferred to Franchisor or one of its affiliates, provided that such group of hotels contains no fewer than 3 hotels; (iv) any current or future lodging product developed or operated by Franchisor or one of its affiliates that is not included within the Marriott system; and (v) if any existing hotel described in (i) above ceases to operate as a Marriott hotel, then for each such hotel (if any), an additional hotel that may operate as a Marriott hotel.
- H. Management Company: Marcus Hotels and Resorts will operate the Hotel and, with Franchisee, will enter into a Management Company Acknowledgment in the standard form included in Exhibit C to the FDD.
- I. Guaranty: Persons acceptable to Franchisor will enter into a Guaranty in the current form included in Exhibit C to the FDD.
- J. Form of Franchise Agreement: The form of the Franchise Agreement will be the standard form of franchise agreement included in Exhibit C to the FDD.
- K. Key Money: Franchisor will pay to Franchisee within thirty (30) days after the Opening Date key money in the amount of One Million Dollars (\$1,000,000) in consideration for Franchisee’s execution of the Franchise Agreement, development, and operation of the Hotel for the term of, and pursuant to, the Franchise Agreement. If the Franchise Agreement is terminated for any reason, then Franchisee will repay to Franchisor an



Page 3
Marriott Hotel Letter Agreement

amount equal to \$3,333.33 multiplied by the number of months remaining in the term of the Franchise Agreement.

2. Exclusivity Period

During the Exclusivity Period (as defined below), Franchisee and Franchisor shall negotiate exclusively with each other with respect to the Project. In addition, during the Exclusivity Period, Franchisee shall not (and will cause its affiliates, and the respective officers, directors, and agents of it and its affiliates, not to) enter into any discussion (other than with Franchisor) with respect to, or solicit or entertain proposals for: (1) any development on the Site other than the Project; (2) any franchise or license agreement, or marketing, affiliation or membership agreement or other similar agreement relating to the Hotel (other than the Franchise Agreement); or (3) the sale or other disposition of the Project. The term “Exclusivity Period” shall mean the period of time beginning on the date of this Letter Agreement and continuing for a period of twelve (12) months.

3. Acknowledgments, Representations, Warranties and Covenants

Franchisee acknowledges that it has received and read the FDD. Franchisee acknowledges that the final terms of the Franchise Agreement and related documents, if Franchisor makes an offer of a franchise, are subject to approval of the appropriate committees of Franchisor. Prior to such approval and execution of the Franchise Agreement, Franchisee will provide documentation acceptable to Franchisor that evidences the termination of all agreements, if any, relating to another hotel system or reservations system with any third parties regarding the Hotel (each, a “Third Party Agreement”). Franchisee acknowledges that Franchisor will cease negotiation of the Franchise Agreement if Franchisor receives notice that Franchisee and the other party to any Third Party Agreement are not in agreement with respect to such termination. Franchisee will and hereby does defend, indemnify and hold harmless Franchisor, its affiliates, and their respective directors, officers, employees, and agents, from any claim, loss, liability, cost, or expense arising out of or related to any Third Party Agreement.

4. Costs

Each party shall bear its own costs and expenses incurred under this Letter Agreement.

5. Confidentiality

The parties shall (and shall cause their affiliates, and the respective officers, directors, and agents of each of them and their affiliates, to) maintain the confidentiality of any information related to either of the parties which information is acquired in connection with this Letter Agreement or the Project. This shall include, in particular, any information related to Franchisor, the Marriott hotel system and Franchisor’s procedures and systems. Each of the parties agrees that neither it, nor any of its affiliates, or their respective directors, officers, employees, or agents will use any confidential information obtained from the other party, except in connection with this Project. No information regarding the Project shall be disclosed to any third person or entity (including the press and the media) without the prior written consent of the other party unless disclosure is required by law or such information is available to the public or otherwise properly obtained by the party from another source. However, each of the parties may disclose such information to the following: (i) to any of its affiliates, and to their respective



Page 4
Marriott Hotel Letter Agreement

directors, officers, employees, and agents, provided that such individuals need to know such information in order to conclude the transactions contemplated by this Letter Agreement and are required by such party to maintain the confidentiality of such information; and (ii) to any potential lender, investor or other financing source for the Hotel, provided that they are required to maintain the confidentiality of such information and that the party so disclosing such information notifies the other party in advance of such disclosure.

6. Enforceability

It is understood and agreed that (a) this Letter Agreement is intended to be, and shall be construed only as, a letter of intent summarizing and evidencing the discussions between Franchisor and Franchisee to the date hereof; (b) the respective rights and obligations of Franchisor and Franchisee remain to be defined in the Franchise Agreement; and (c) except as set forth in Paragraphs 2, 3, 4, 5, 6, and 7 which are intended to be the binding and enforceable obligations of the parties, this Letter Agreement constitutes a general, non-binding letter of intent and does not create a legal, binding commitment or obligation (including the obligation to negotiate in good faith) on the part of the parties or any of their affiliates to pursue the Project or any other transaction.

7. Governing Law

This Letter Agreement is executed pursuant to, and shall be construed under and governed exclusively by, the laws of the State of Maryland.

Please indicate your approval of and agreement with the foregoing by having a duly authorized representative of Franchisee execute both duplicate originals of this Letter Agreement. Please then keep one fully executed original for your files and return to Franchisor the fully executed duplicate original.

Sincerely yours,

AGREED AND ACCEPTED:

MARRIOTT INTERNATIONAL, INC.

JOURNEYMAN GROUP

By: _____
Name:
Title:
Date:

By: _____
Name:
Title:
Date:



Harley Blackburn
Journeyman Construction
7701 N. Lamar, Suite 100
Austin, TX 78752

9/26/13

Dear Harley,

Trek has an interest in being part of the business at Judge Doyle Square in Madison.

If the projects moves forward and the building is built, we are interested in potentially pursuing the opportunity as outlined in my attached draft proposal.

Once the financial obligations of the bicycle business are approved to our satisfaction, we would be interested in exploring this opportunity further.

Please let me know how things progress.

Thank you,

Roger Bird
Director of Retail Services and Concept Stores
Trek Bicycle

Trek Bicycle Corporation 801 West Madison Street Waterloo, Wisconsin 53594 USA



11. Letter of Interest – Retail



LIGHTHOUSE
COMMERCIAL REAL ESTATE
Client Focused Integrity. Always.

Tenant Representation
Buyer Agency
Lease Negotiation
Landlord Representation
Commercial Real Estate Advising

478 Commerce Dr
Suite 201
Madison, WI 53719
Office: 608-445-3500
<http://www.lighthousecre.com>

September 26, 2013

Harley Blackburn
Vice President - Preconstruction
Journeyman Construction, Inc.
7701 N Lamar
Suite 100
Austin, TX 78752

RE: Judge Doyle Square – Tenant Letter of Interest

Dear Harley:

As it relates to your proposed development plans for the upcoming Judge Doyle Square project I wanted you to know I have received sincere interest from a valid and qualified candidate for lease of retail space in the new project.

The principals of Merchant (<http://www.merchantmadison.com>) have a sincere interest in bringing another world class restaurant and bar to Madison, WI. The concept they have in mind would involve the leasing of the 3,730 SF retail space at the corner of Doty St and Pinckney St. (directly across the street from their current location). The space is outlined in the proposed development plans you sent me. The restaurant use would be highly customized and procured to reflect attention to detail, exceptional food using local ingredients, and an inspired bar program. This new concept will be different from the existing Merchant restaurant, however, will look to other bigger markets for strategic and creative inspiration and position the restaurant successfully around the neighborhood's rich inherent qualities – History, Quality, Authenticity, Style, Approachability and Fun.

The terms and details of this project would need to be negotiated and agreed upon, and this letter is non-binding in every legal way. Having stated that, the principals of Merchant have a very sincere interest in helping ensure that Judge Doyle Square is one of the most successful development projects undertaken in the history of the City of Madison, and look forward to discussions in terms of how they can be anchor tenant in this exciting project.

Sincerely,

David Haug

Joshua Berkson, Principal
Merchant Madison, LLC

Patrick Sweeney, Principal
Merchant Madison, LLC



11. Letter of Interest – Retail



LIGHTHOUSE
COMMERCIAL REAL ESTATE
Client Focused Integrity. Always.

**Tenant Representation
Buyer Agency
Lease Negotiation
Landlord Representation
Commercial Real Estate Advising**
478 Commerce Dr
Suite 201
Madison, WI 53719
Office: 608-445-3500
<http://www.lighthousecre.com>

September 27, 2013

Harley Blackburn
Vice President - Preconstruction
Journeyman Construction, Inc.
7701 N Lamar
Suite 100
Austin, TX 78752

RE: Judge Doyle Square – Tenant Letter of Interest

Dear Harley:

As it relates to your proposed development plans for the upcoming Judge Doyle Square project I wanted you to know I have received sincere interest from a valid and qualified candidate for lease of retail space in the new project.

The principals of the Majestic Theatre (<http://www.majesticmadison.com>) have a sincere interest in bringing a nationally recognized entertainment venue to Madison, WI. The concept they have in mind would involve the leasing of both floors of the 7,950 SF retail space at the corner of Wilson St and Pinckney St. that are outlined in the proposed development plans you sent me. The live entertainment use would be reflective of other high quality venues throughout the country that have embraced food and quality cocktails, wine, and microbrew beers as part of the entertainment offering. The venue would be like no other venue currently found in Madison, WI.

The terms and details of this project would need to be negotiated and agreed upon, and this letter is non-binding in every legal way. Having stated that, the principals of Majestic have a very sincere interest in helping ensure that Judge Doyle Square is one of the most successful development projects undertaken in the history of the City of Madison.

Sincerely,

David Haug

Scott Leslie, Principal
Majestic Theatre, LLC

Matt Gerding, Principal
Majestic Theatre, LLC



Henneman Engineering Inc.

Madison:
1232 Fourier Drive, Suite 101
Madison, Wisconsin 53717-1960
T 608.833.7000
F 608.833.6996

Milwaukee:
175 North Corporate Drive, Suite 120
Milwaukee, Wisconsin 53045-5864
T 262.901.0626
F 262.901.0627

Toll Free 888.616.0216
Email info@henneman.com
www.henneman.com

Judge Doyle Square

Madison, WI

BASIS OF DESIGN

September 05, 2013

