

JUDGE DOYLE SQUARE

MADISON, WI

REQUEST FOR PROPOSALS

SUBMITTED BY:

JDS Development, LLC

A Joint Venture of:
Hammes Company and Majestic Realty

September 30, 2013

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RFP FORM A	SIGNATURE AFFIDAVIT

1.0 EXECUTIVE SUMMARY

JDS Development, LLC appreciates the opportunity to present our proposal for the planning, financing, construction and management of the Judge Doyle Square project. Judge Doyle Square is an exciting opportunity to connect Monona Terrace with the Capitol Square through a mixed-use, urban development. The hotel component of this project needs to be of destination caliber in order to strengthen Madison as a destination and secure the success of Monona Terrace for years to come.

Our vision for the redevelopment of these two blocks is to use the Madison Municipal Building to develop a landmark hotel product that is distinctive to Madison. The project needs to capture all the things that are great about our city and deliver that to visitors and residents. Our plan is to create a unique destination designed to strengthen Madison's urban core and complement our primary destinations — Monona Terrace and Overture Center — by creating a dynamic place with programmatic uses that define Madison's character.



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

There are several important elements to our proposal that we believe define this opportunity for the City of Madison. These ideas are described in detail in this Request for Proposals but in summary, include

- A landmark hotel product that is distinctive to Madison.
- Significant economic benefit to the City of Madison by lowering public costs by more than \$20 million.
- Unique program elements that will support Monona Terrace and Overture as part of building Madison as a stronger destination.
- The financial strength and resources of our team provide the foundation needed to execute our vision for Judge Doyle Square.

Our plan provides an economic benefit to the City of Madison by lowering public costs by more than \$20 million. As required by the RFP, we will present two schemes in this reply. Scheme 1 is our vision for a destination hotel that uses MMB to create a unique downtown, dining and hotel experience enhancing the guest's visit to Monona Terrace and Madison. Scheme 2 is our

1.0 EXECUTIVE SUMMARY

best attempt at developing the uses required by the RFP resulting in a less than spectacular hotel product and uncertain development uses on Block 105.

With Scheme 1 we were able to develop a plan that identified three ways to lower the city's public costs.

1. Savings of \$13 million in parking costs.
2. Savings of \$3 million by moving city offices to a new building on Block 105 as opposed to renovating MMB for city offices.
3. Savings of \$4.4 million due to eliminating the need for the city to fund a financial gap to create a full service hotel.

CITY OFFICES

Cost exercises performed by 2 general contractors reflect cost savings of building new office space to be \$3.3 million. This is a direct savings to the city over remodeling MMB.

PARKING

Scheme 1 utilizes a development plan that negates the need for excessive underground parking. Using expensive underground parking does not create valuable developable space above ground on these blocks. There is no market to absorb the volume of building envisioned by using underground parking.

There is decreased development value per floor between levels 2 and 5 on Block 105. The valuable developable space on Block 105 comes after cresting floor 5. At the upper floors you begin to create interesting site lines of the city and lake.

The city will save \$13 million in parking costs by using an above ground parking ramp on Block 105 as a base for higher, more valuable development uses.

DESTINATION HOTEL

The hotel proposed in Scheme 2 is an inferior project to the destination caliber hotel envisioned under Scheme 1. In order to create a full service destination hotel under Scheme 2 the city would need to fill a financial gap of \$4.4 million. A sampling of inefficiencies incurred by not using MMB is as follows.

- Not using MMB requires the relocation of ground level hotel uses to the backside of Block 88. Moving parking below grade is required to accommodate this ground level space.
- Limited lobby space does not create a sense of arrival needed to create a destination hotel to support Monona Terrace.
- Guests will need to travel further to get to Monona Terrace from the hotel.
- Footprint of the building is more compact making the hallway connection from MMB to Pinckney difficult and less appealing.
- Compact building will make it challenging to meet hotel company brand standards.
- No ability to create unique guestrooms like the ones that can be developed in MMB.
- Need to dramatically reduce or eliminate food and beverage or wellness areas to accommodate space lost by not using MMB and trying to retain the same hotel room count.

1.0 EXECUTIVE SUMMARY

This is an exciting project for the City of Madison and we look forward to delivering the best project with the greatest economic value. Our development team has unmatched credentials in creating destinations in cities from Green Bay to Los Angeles. We believe our credentials and financial capacity for this project combined with the vision of the City can make this opportunity a success for generations to come.

We only have one opportunity to do this right.

Respectfully,

JDS Development, LLC

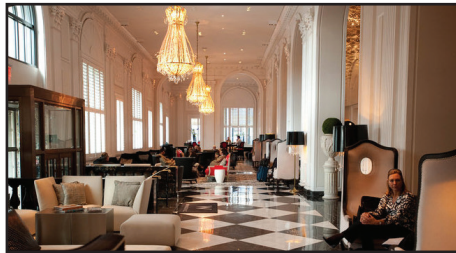
1.0 EXECUTIVE SUMMARY

VISION

Our vision for Judge Doyle Square is to create a unique destination designed to strengthen Madison's urban core and compliment our primary destinations — Monona Terrace and Overture Center — by creating a dynamic place with programmatic uses that define Madison's character. Imagine a place that captures all of the elements that define Madison for the next generation ...

STYLISH HOSPITALITY

The Madison Municipal Building will be a destination hotel connecting Monona Terrace and the Capitol Square and enhancing the culture of the urban core.



THE FOOD EMPORIUM

This unique dining destination will offer a downtown experience that will enhance the Madison restaurant culture.



1.0 EXECUTIVE SUMMARY

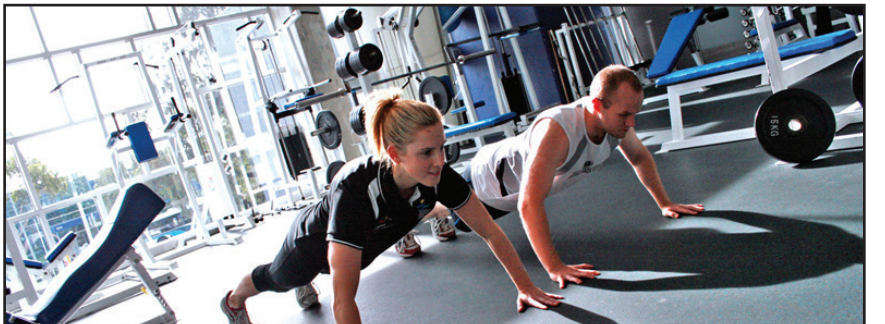
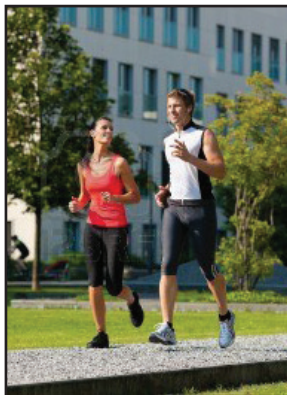
LIFESTYLE RESIDENTIAL

Residential offerings will provide a live-work environment in an urban neighborhood setting.



URBAN WELLNESS

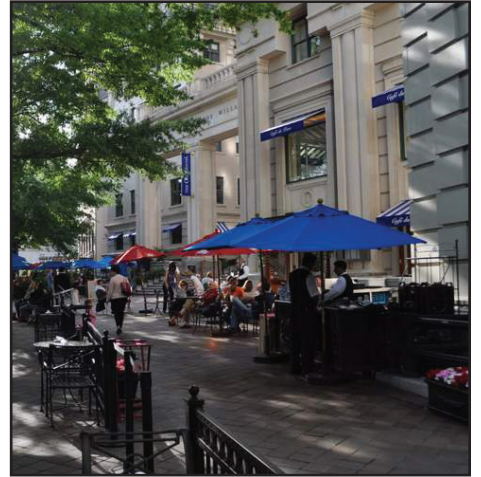
Health and wellness in the urban core will promote the Madison lifestyle, with a focus on fitness and active lifestyles.



1.0 EXECUTIVE SUMMARY

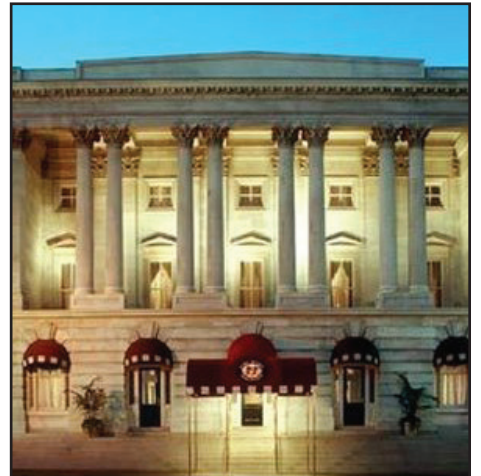
ACTIVE STREETScape

The activation of sidewalks and terraces with street level retail and dining will entertain visitors and enliven the urban core.



HISTORIC REVITALIZATION

The renovated Madison Municipal Building will be a core landmark with historical significance complementing the nationally recognized Monona Terrace and State Capitol buildings.



2.0 DEVELOPMENT VENTURE AND TEAM

LEGAL NAME OF PROPOSER AND OFFICERS AUTHORIZED TO BIND

JDS Development, LLC is pleased to submit the following in response to the Request for Proposals for Judge Doyle Square (the "RFP"). Robert Dunn is the Managing Partner / Principal-In-Charge and is legally authorized to bind the development venture to the development contracts. JDS Development, LLC is a joint venture of Hammes Company and Majestic Realty and has been established for the sole purpose of pursuing the development, finance, marketing and operation of the Judge Doyle Square development project in Madison, Wisconsin.

KEY ENTITIES COMPRISING OUR TEAM

Hammes Company and Majestic Realty have prepared this proposal in association with a team of the most highly qualified professionals in the industry for a project of this magnitude. The qualifications of the project team are described in detail in the previously submitted RFQ for this project. As a result of our considerable experience on large mixed-use projects that serve as anchors to communities and other destination attractions, Hammes Company and Majestic Realty bring unique qualifications as a master developer. The firms that comprise our Project Team provide a complementary set of core competencies and unparalleled experience in the successful execution of large scale urban assignments. Importantly, we are a Madison based development organization with a strong working knowledge of the local factors that will drive success of this important development initiative.

JDS DEVELOPMENT - A JOINT VENTURE OF HAMMES COMPANY AND MAJESTIC REALTY - MASTER DEVELOPER

Hammes Company

Founded in 1989, Hammes Company is a leading real estate development and investment company with offices located in major markets throughout the United States. Hammes Company is comprised of a series of professional services and real estate investment entities which have been established for the purpose of managing, financing and developing complex real estate assets. The firm is currently involved in planning and development assignments with values in excess of \$7.5 billion.

Hammes has a broad base of experience in developing successful mixed-use, commercial, hospitality and entertainment projects. Hammes leverages its expertise and knowledge in integrated, strategic planning solutions for complex mixed-use and master planned developments. Our mission is to develop projects that anchor communities and which are catalysts for economic and fiscal development in the areas and regions in which we work. In Wisconsin, the firm has been responsible for such notable projects as Lambeau Field redevelopment, Kohl Center, Tiletown District, Miller Park, Aurora Health Care Centers, Medical College of Wisconsin, Brookfield Lakes Corporate Center and most recently the Edgewater Hotel.

Hammes Company

2.0 DEVELOPMENT VENTURE AND TEAM



MAJESTIC REALTY CO.

Leaders in Real Estate Development since 1948.

Majestic Realty

Majestic Realty Co. was founded in 1948 and is based in Los Angeles, California. Majestic owns, develops, manages and leases over 80 million square feet of property for clients across the nation. Majestic is recognized as being one of the largest private owners of commercial real estate assets in the United States and has been ranked as the No. 1 developer in California for more than a decade. The firm offers land acquisition/entitlement, master planning/development, environmental assessment, design/construction, financing, leasing, project financial reporting/variance analysis, and property management services. In addition, the company provides processing, project programming, conceptual design, estimating, scheduling, architecture, engineering, project management, general contracting, thematic interiors/exterior, tenant improvements, space planning, and owner's representative services; and commercial property management services.

Majestic Realty is owned by Edward Roski and is active in many major markets across the United States including Wisconsin. Mr. Roski is one of the most active members of the business community in Southern California serving on numerous community organization boards including chairman of the Board of Trustees at the University of Southern California. Mr. Roski is part owner of the Los Angeles Kings and Los Angeles Lakers professional sports franchises.

Hammes Company and Majestic Realty are working together on a number of urban mixed-use development projects across the United States. The combined real estate development expertise and financial strength of the combined organizations provides the foundation for our proposal for Judge Doyle Square.

Development and Execution

Hammes Company / Majestic Realty have significant real estate development experience as both equity and fee-based developers. The sole focus of the Hammes Company / Majestic Realty staff is the successful execution and delivery of large projects. Our process will first include gaining a thorough understanding of the goals and objectives the City has for the Judge Doyle Square site and set in motion a project plan to design program elements which achieve the best possible outcomes for the City and community. Decisions reached in the early planning phase are used to drive the design of the project to maximize asset value and control costs.

Our depth of experience enables Hammes Company / Majestic Realty to provide a complete program of services to develop and lead all facets of the JDS development, including financing, public approvals, design management, sustainability goals, construction administration, targeted business participation, infrastructure, environmental management, quality control, scheduling, cost control, insurance, bonding, contract management, media, marketing, community relations and other tasks as required to ensure project success.

2.0 DEVELOPMENT VENTURE AND TEAM

Financial Strength

One of the most important factors that will determine success of the Judge Doyle Square development is the financial strength of the master developer. The combined financial resources of Hammes Company / Majestic Realty coupled with our extensive knowledge of the local market provides the foundation that will be needed to execute a project of this complexity over multiple phases.

Leaders in Visionary Development

Hammes Company / Majestic Realty have extensive experience in successfully completing large-scale urban development initiatives. We are recognized for bringing visionary developments together in markets ranging in size from Green Bay to New York. The successful development of the Judge Doyle Square site will require a careful balance of public and private interests. Between Hammes Company and Majestic Realty we have worked successfully with communities on a number of the most complex urban initiatives in the United States over the past decade.



2.0 DEVELOPMENT VENTURE AND TEAM

Potter Lawson

POTTER LAWSON - ARCHITECT - DESIGN CONSULTANT

Established in 1913, Potter Lawson offers professional planning, architecture, interior design, cost estimating and construction administration services. The firm employs more than 40 professionals, with more than half being registered architects and professional designers.

Potter Lawson has been involved in many of Madison's most recognizable buildings over the past 100 years. In the 1990's, Potter Lawson worked on the notable Monona Terrace Convention Center in association with Taliesin Architects. Within the last six years Potter Lawson's work on the Overture Center, the Madison Central Library and the Block 100 Foundation Project on State Street has re-energized and transformed this area around the Capitol Square.

ELKUS | MANFREDI ARCHITECTS

ELKUS MANFREDI ARCHITECTS - URBAN PLANNER

Elkus Manfredi Architects is a full-service design firm providing architecture, master planning, urban design, interior architecture, space planning and programming. The firm has been involved in many of the leading urban development projects in the United States.

The planning and design work of Elkus Manfredi Architects is founded on the conviction that the quality of our environment regularly and significantly impacts the quality of our lives.

Kimley-Horn and Associates, Inc.

KIMLEY-HORN - ENGINEER

Kimley-Horn is a multidisciplinary engineering consulting firm offering services to national and international clients in the public and private sectors. Kimley-Horn has more than 1,600 professionals in 60-plus offices nationwide. They have delivered ground up or renovation services on more than 75 million square feet of retail in 47 states and more than 40,000 multifamily units in 35 states. Their teams work together nationally to provide clients with the best services and expertise necessary for their projects.

3.0 PROJECT CONCEPT DESIGN

PROJECT GOALS AND REQUIREMENTS

The project requirements as listed in the RFQ and RFP state that the project must be a mixed-use development covering the entire development parcels on Blocks 88 and 105 and include the following elements:

- A hotel component with a minimum of a 250 room block committable to support the Monona Terrace Community and Convention Center
- Retail and restaurant type uses at grade on Wilson, Doty and Pinckney Streets
- A bicycle center
- A parking plan for both blocks to support the entire development

Other land uses encouraged but are not mandatory:

- Office and commercial spaces
- Residential housing
- Community spaces
- Public open spaces

Our extensive experience in the market along with results from recently completed market studies assisted in determining the proposed land use mix and density. Various staging aspects of the proposed development plan have also been considered. The following elements have been addressed for the land uses included in this project proposal.

- Design/Density
- Hotel
- Office, Retail and Commercial
- Residential
- Bicycle Center
- Parking

PROJECT CONCEPT

Our team has developed a variety of plans and studies for each Scheme to meet the RFP requirements and to create a great downtown Madison destination. These plans and studies are provided on the following pages of this section.

Scheme 1, our preferred Scheme, uses MMB to create a destination caliber hotel. This scheme is presented first. Scheme 2 is intended to provide an alternative option that does not use MMB for hotel purposes to create the program uses required by the RFP. For each Scheme, the following is included.

1. Conceptual Plan
2. Preliminary Sections and Floor Plans
3. Building Massings from various views
4. Shading Study

Throughout these plans we have incorporated other aspects to better portray land use planning. Landscape designs are sufficient to convey how the project will generally create an engaging pedestrian environment along all street frontages. Architectural expressions can be found on the buildings in several of the views showing the general style of the buildings and how they will relate to surrounding buildings and positively contribute to the urban character of the immediate area.

3.0 PROJECT CONCEPT DESIGN

SCHEME 1

Scheme 1 is our preferred approach, remodeling MMB for hotel purposes to create a unique downtown destination.

Scheme 1 includes the strategic use of two urban blocks to create a downtown destination and maximize economic potential. A mix of land uses including hotel, office, residential, retail and dining will host visitors and provide a live-work environment that will unlock the potential of this entire district. The conceptual plans provided show how we plan to maximize above ground development and significantly enhance the street level activity within this downtown area.

An exciting urban design will incorporate architectural features compatible with surrounding buildings and use generous sidewalk widths, landscaping and lake views to create urban amenities and public spaces that accommodate outdoor uses and gathering places. Pinckney Street will be a destination quality urban street providing a link from the Capitol Square to Lake Monona. Increased pedestrian traffic will support the local businesses in the surrounding area and unify the emerging restaurant and entertainment district. Street level setbacks will be used to provide strong pedestrian connectivity and accessibility throughout the district. The Capitol View Preservation ordinance has been considered in developing the massing plans for this proposal.

BLOCK 88

The proposed hotel conceptual design on Block 88 targets the following program:

- 308 rooms in a unique hotel experience
- Select to full service, mid to upscale pricing
- 15,000 to 20,000 square feet of restaurant and dining space
- 10,000 to 15,000 square feet of flexible meeting space
- Minimal travel distance from Monona Terrace to hotel
- Wellness and fitness areas
- Activation of Doty, Wilson and Martin Luther King with strong entry points
- Outdoor terraces along Martin Luther King Blvd
- Through-block interior link from Martin Luther King Blvd to Block 105

The adapted ground level of MMB will include a grand lobby and dining. The upper level will be converted into unique hotel rooms and breakout meeting rooms. It is our intention to maintain Room 260 or Judge Doyle's courtroom. A newly constructed hotel tower will extend from MMB to Pinckney Street creating a pedestrian connection from Martin Luther King Blvd to Block 105. The new tower will host additional rooms and support areas. Careful consideration and implementation of setbacks, orientation, scale, massing and exterior finishes will give the impression that this new tower is a natural extension of the existing MMB.

The hotel rooms have been designed to a size that will allow us to meet the standards of a variety of hotel companies and franchises ranging from Marriott to Wyndham. From our experience there are well suited hotel companies hoping to enter the downtown Madison market. The appropriate brand for the JDS hotel will be determined once the final plan and hotel program are defined.

3.0 PROJECT CONCEPT DESIGN

There is an appropriate time to engage hotel companies and franchises. Additional market research will be performed and visits with a group of hotel companies and franchises will be had prior to determining the most suitable brand for the downtown Madison market and JDS program components.

Given our involvement with hotel companies elsewhere — and with The Edgewater — we have existing relationships with hotel companies and franchises and will pursue this at the appropriate time. The City will be welcome to participate in this process. A sampling of the hotel companies we will analyze are as follows.

- Marriott International
- Wyndham Hotel Group
- Choice Hotels International
- Starwood Hotels

The Food Emporium is far more than a traditional food court concept. The Food Emporium will be a new experience for Madison residents and visitors. Within the Food Emporium there will be “stations” showcasing a variety of dining options from sit down dinners to tapas-like small plates. The stations can be designed for seasonal purposes or food based themes. Our goal is to offer the Best of Wisconsin. Local farmers and chefs from the region will be asked to participate in preparing the best dishes from the region. This will be a great way to showcase the foods and offerings of Wisconsin to all the visitors to the Monona Terrace and downtown Madison.

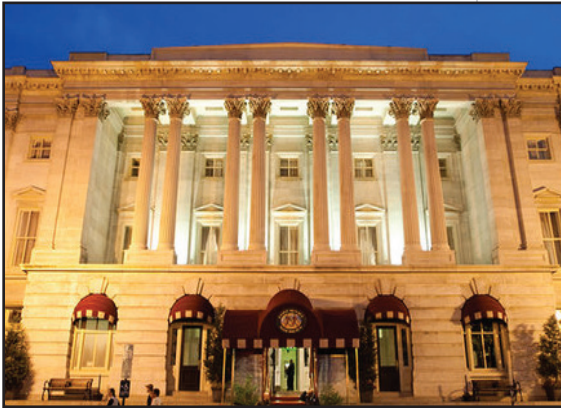
One project that has successfully implemented this dining experience is the The Todd English Food Hall in the The Plaza Hotel in New York City. This Food Hall is a European-inspired specialty food hall offering the finest fresh, prepared, and gourmet foods.

The food scene in Madison is one of the most advanced in the country and this concept will positively enhance the dining experience while bringing the best foods of Wisconsin directly to downtown visitors, workers and residents.

The meeting rooms included as part of this conceptual plan will complement the space offered by Monona Terrace. These meeting rooms will have the flexibility to be used by larger groups as break out rooms, for work sessions or meals, or by smaller groups looking for less space in a downtown environment. The easy connection across Wilson Street will allow for quick access and simple way finding to Monona Terrace for convention and meeting participants. The success of this proposed hotel will depend on the strong collaborative relationship with Monona Terrace to sell rooms, meeting space and Madison as a destination City.

Street level retail or dining will be incorporated along Doty and Pinckney to activate this corner, creating a pedestrian friendly entertainment area that compliments existing offerings in the immediate area.

A new urban plaza is created at the center of the block on Pinckney Street between Doty and Wilson Streets. This one block of Pinckney Street is widened and the buildings are set back to support this new destination within the fabric



3.0 PROJECT CONCEPT DESIGN

of Madison. The unique qualities of this location are further defined by a flush paving pattern that continues from Block 88 to Block 105 and defines the mid-block. A center island is created that allows a mid-block crossing, creates a pedestrian safety zone and a green landscape focal feature. The generous building setbacks and corresponding sidewalk widths allow outdoor dining, sustainable landscape features and bike parking, all supporting and enhancing the unique qualities of Pinckney Street - the one street off the Capitol Square that allows for views of Lake Monona.

Block 105

The plan for Block 88 requires the need to relocate city offices. Our preferred proposal includes relocating city offices to Block 105. This maintains city offices in close proximity to their current location and allows for quick access to the City County Building via the hallway connection in the Block 88 hotel.

On Block 105 retail and dining uses at street level will serve as an important element of the proposed plan. These uses will attract visitors to the area generating traffic and enlivening the streets surrounding JDS.

The street level access points for retail and dining along with the redevelopment of the historical MMB will transform this area of downtown into a unique destination. A variety of new entertainment options will be available that complement those located on King Street, Pinckney Street and the surrounding streets that have for years provided retail and restaurant opportunities that cater to the activities of workers, visitors, and residents of downtown.

The plan allows for other mixed uses on this block such as residential. Adequate parking will be made available for each use. A residential or office tower would offer views of Lake Monona and the Capitol from upper floors. The amenity package for offices or residential units would be competitive with other properties in the area with an added advantage of being located adjacent to the new amenities offered at the hotel on Block 88.

A bicycle center is also included on Block 105. This center is intended to provide a variety of amenities for the existing and growing bicycling community in Madison. The plan for this space is further explained in the later section titled Bicycle Center Management Plan.

Scheme 1 Program Summary

- **Hotel**
 - o 308 rooms with 250 room block for Monona Terrace
 - o Select to full service hotel
 - o Unique dining experience
 - o Wellness and fitness
 - o Green roof
- **Block 88 Parking**
 - o 277 spaces for hotel purposes on Block 88
 - o 38 public spaces

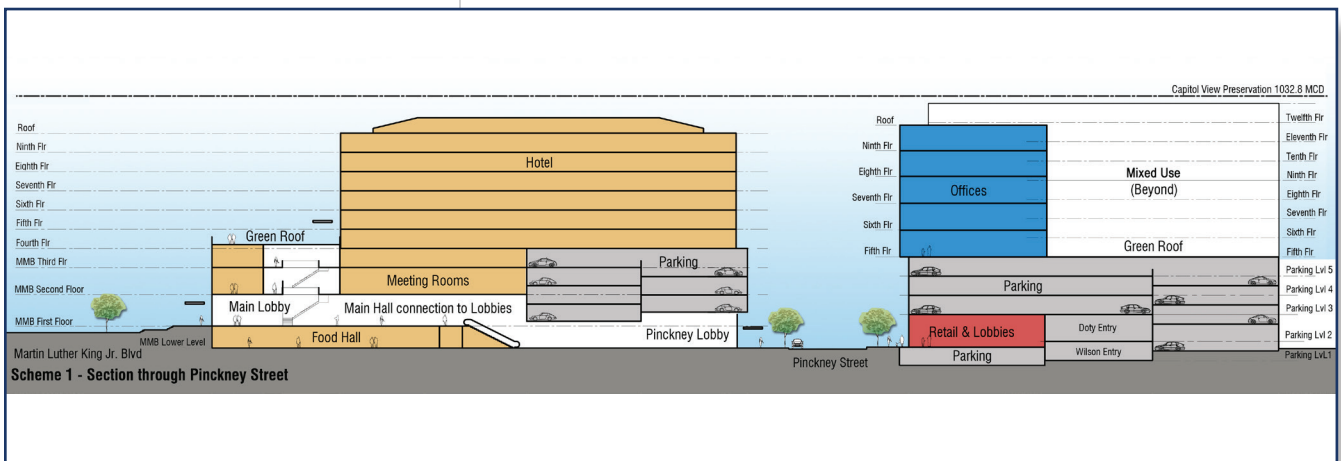
3.0 PROJECT CONCEPT DESIGN

- **Block 105 Parking**
 - o 40 municipal fleet spaces below new city office building
 - o 80 mixed use spaces
 - o 476 public spaces
- **Office and Mixed Use**
 - o New 80,000 SF building that could be city offices
- **Bike Center**
 - o 3,000 SF center with ability to expand to 4,000 SF
- **Retail/Dining**
 - o Street level space along Pinckney, Doty and Wilson Streets

3.0 PROJECT CONCEPT DESIGN



Conceptual Rendering - The rendering above was included in the RFQ response. Slight modifications have been made to the building massings behind MMB but the overall concept of MMB restoration into a destination hotel remains.



Scheme 1 - Section

3.0 PROJECT CONCEPT DESIGN

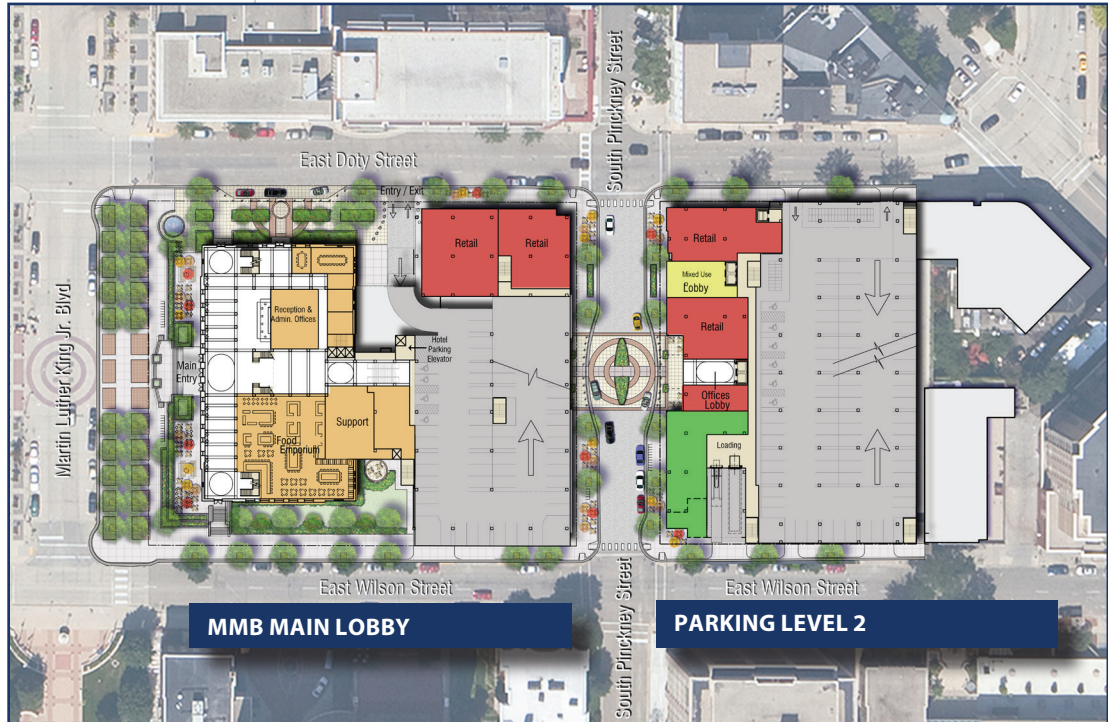


Scheme 1 - Floor Plan

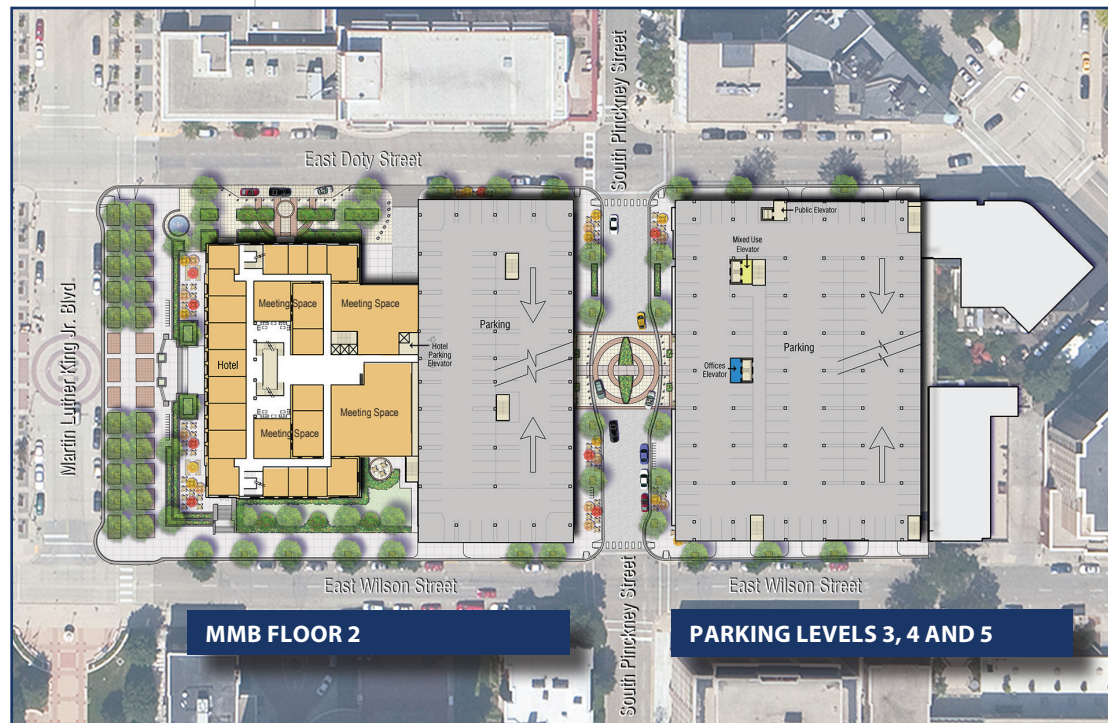


Scheme 1 - Wilson Street at grade Floor Plan

3.0 PROJECT CONCEPT DESIGN

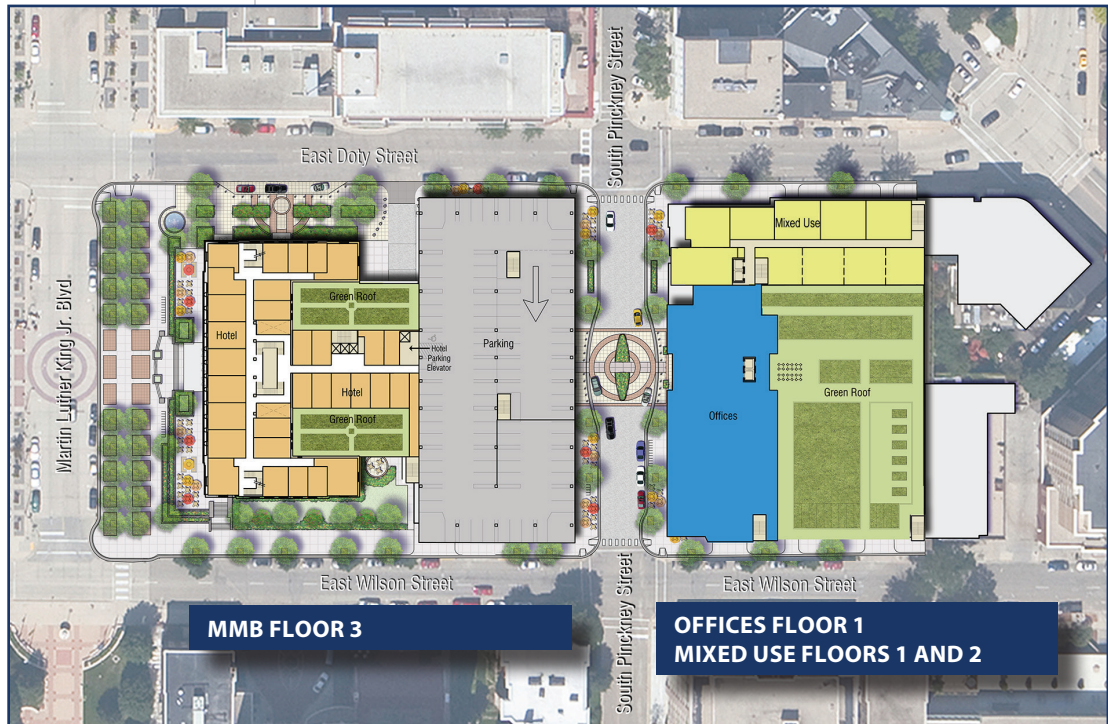


Scheme 1 - Doty Street at grade Floor Plan

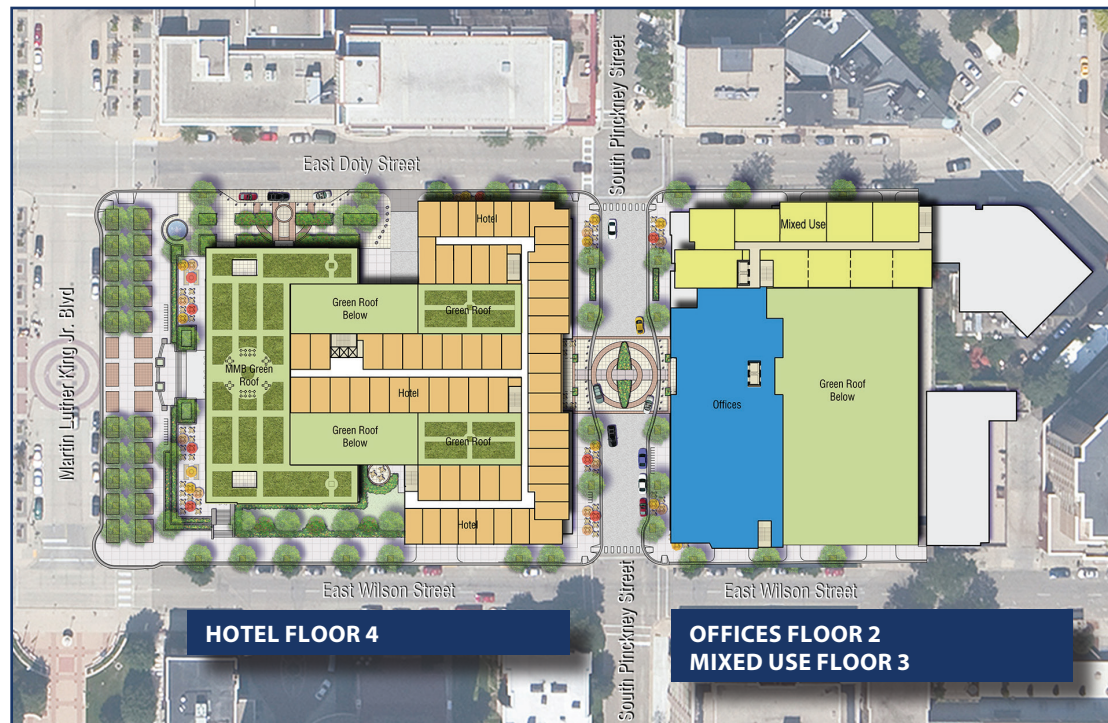


Scheme 1 - Floor Plan

3.0 PROJECT CONCEPT DESIGN

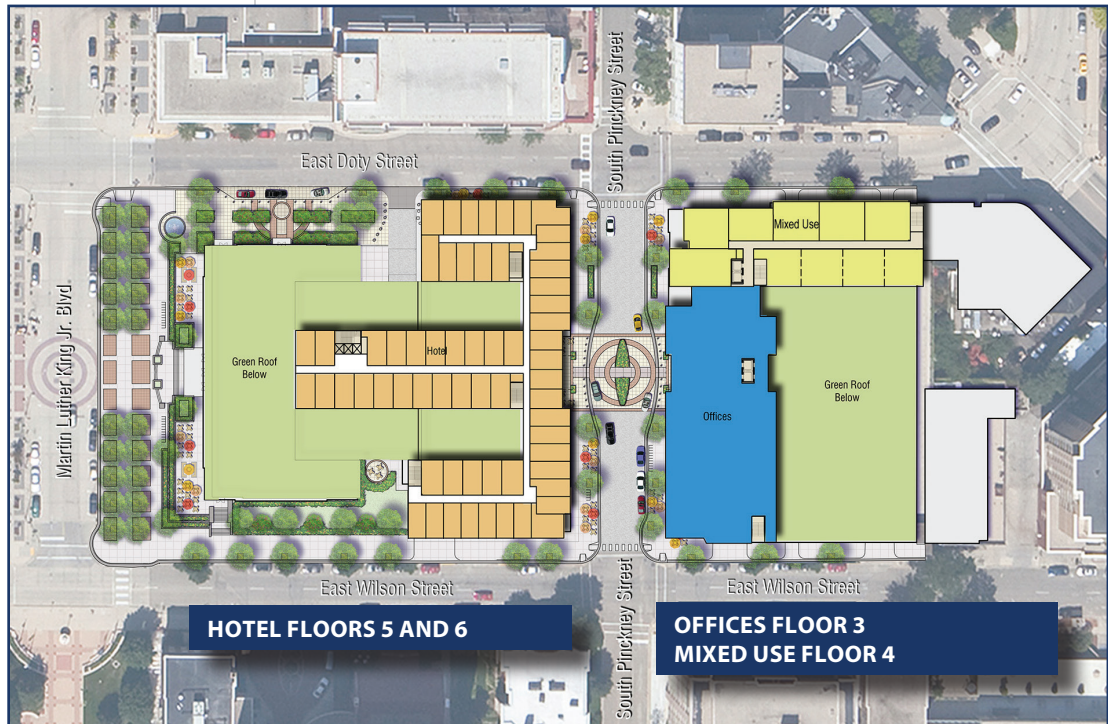


Scheme 1 - Floor Plan

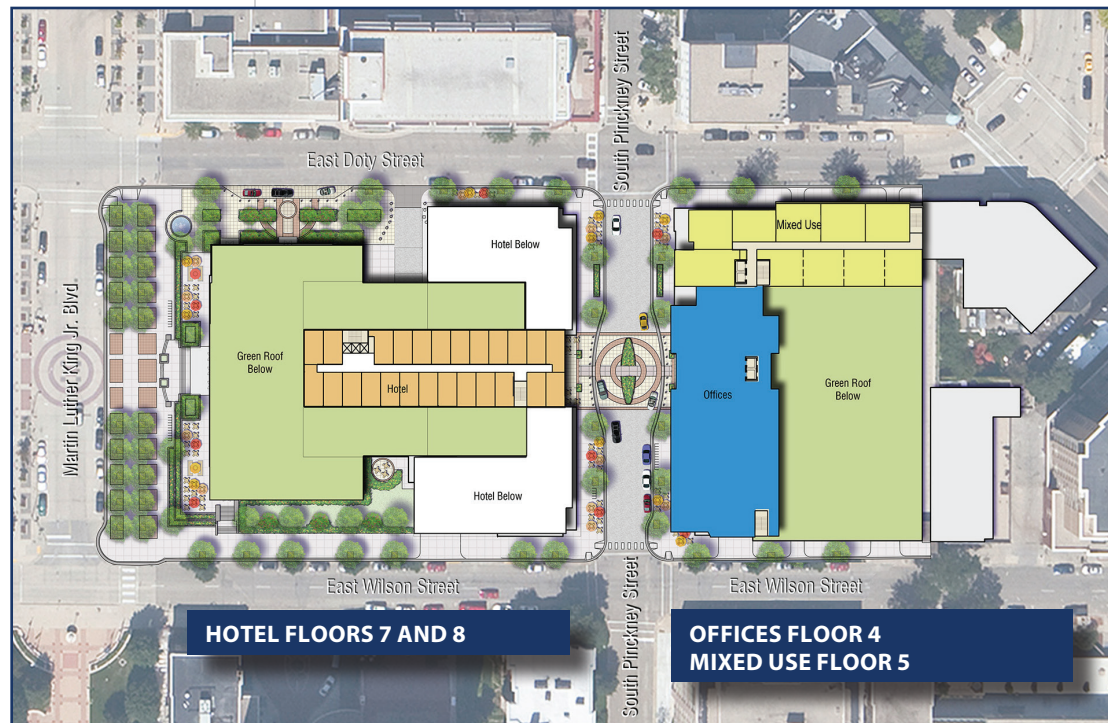


Scheme 1 - Floor Plan

3.0 PROJECT CONCEPT DESIGN

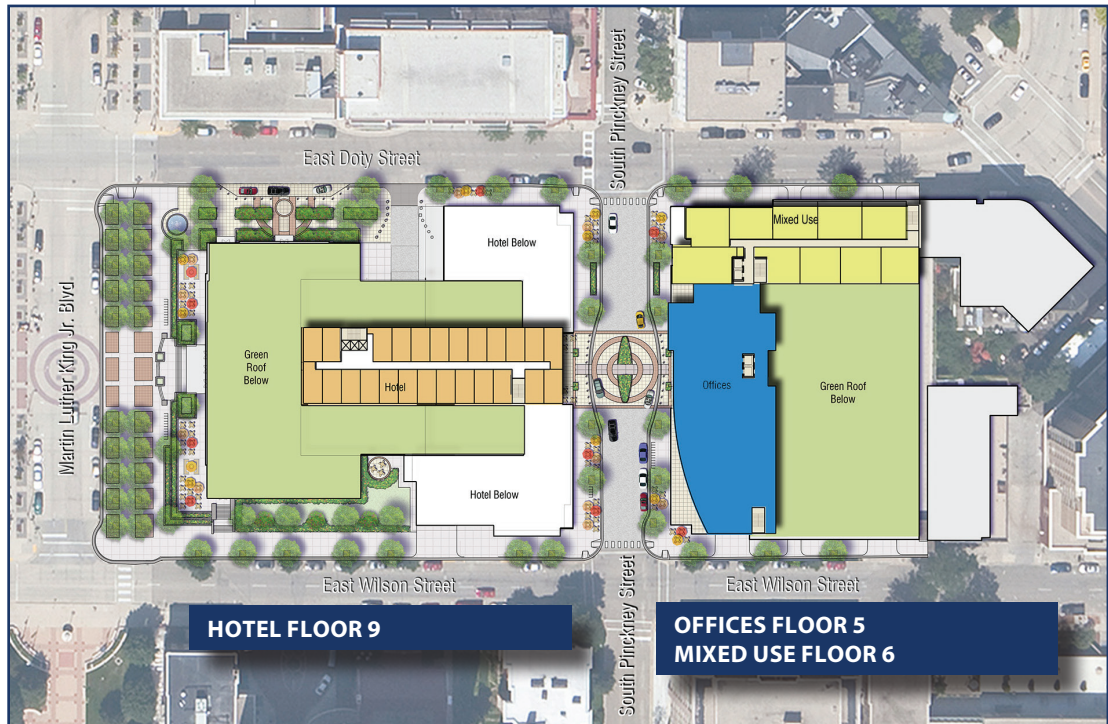


Scheme 1 - Floor Plan



Scheme 1 - Floor Plan

3.0 PROJECT CONCEPT DESIGN



Scheme 1 - Floor Plan



Scheme 1 - Floor Plan

3.0 PROJECT CONCEPT DESIGN



Scheme 1 - Floor Plan

3.0 PROJECT CONCEPT DESIGN



Scheme 1 - Massing Concept Northwest View



Scheme 1 - Massing Concept Southwest View

3.0 PROJECT CONCEPT DESIGN



Scheme 1 - Massing Concept Southeast View



Scheme 1 - Massing Concept Northeast View

3.0 PROJECT CONCEPT DESIGN

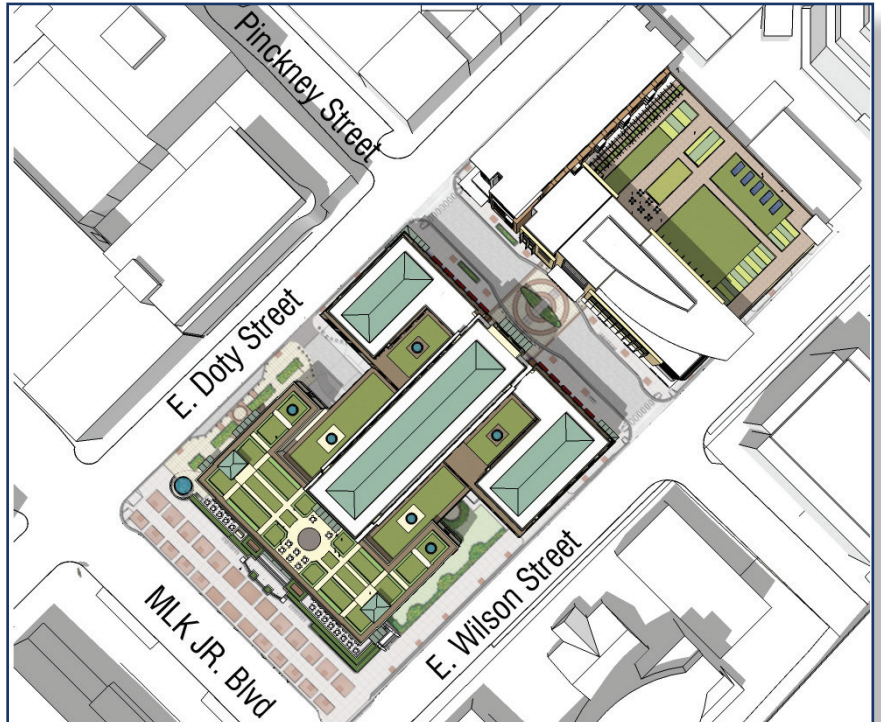


Scheme 1 - Pinckney Aerial Massing

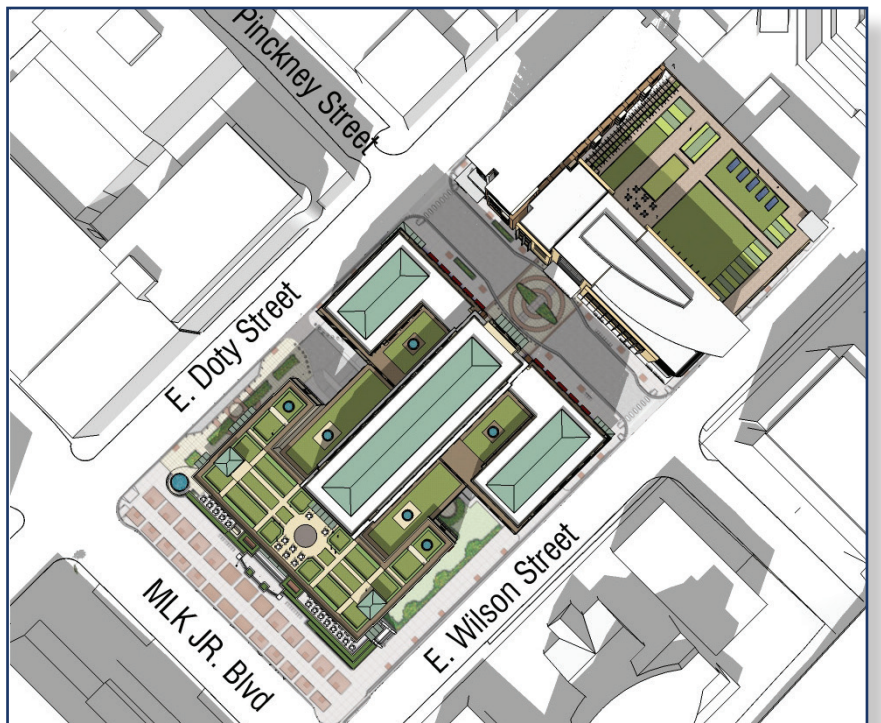


Scheme 1 - Pinckney / Doty Street View

3.0 PROJECT CONCEPT DESIGN



Scheme 1 - Shadow Study (Summer 1 PM)



Scheme 1 - Shadow Study (Spring & Fall 1PM)

3.0 PROJECT CONCEPT DESIGN

SCHEME 2

Scheme 2 is being provided to meet the requirements of the RFP. This is not our preferred approach as it requires an additional \$20 million investment from the city.

Block 88

Although the preferred approach is to include MMB as part of the redevelopment of JDS, it is possible to develop a program of uses if the City maintains offices in MMB. Under this alternative scheme 308 hotel rooms along with meeting space can be developed on Block 88 but several negative impacts need to be considered.

- The activation of all four streets will be lost.
- Access to Monona Terrace will require traveling a longer distance.
- It's more challenging to create a seamless connection between the Capitol Square, Monona Terrace and Block 105.
- Increased vehicle use of Pinckney Street may be required for hotel purposes.
- Not using MMB requires the relocation of ground level hotel space to the backside of Block 88. Parking needs to be moved to a more expensive below grade location to accommodate ground level hotel space.
- Limited lobby space does not create a sense of arrival needed to create a destination hotel to support Monona Terrace.
- Compact building will make it challenging and more expensive to meet hotel company brand standards.
- Lose the ability to develop unique guestrooms like the ones that can be developed in MMB.
- Need to dramatically reduce or eliminate food and beverage or wellness areas to retain the same hotel room count.

Block 105

Block 105 under Scheme 2 includes the mix of uses requested in the RFP.

- Office, Residential or Mixed Use
- Bicycle Center
- Retail/Dining
- Parking

Due to the immense density being requested, this Scheme requires building expensive underground parking on both blocks. Unfortunately, investing in expensive underground parking does not create any value for above grade development in this location. There is no market to absorb this volume of building space. The investment would be better placed in above ground parking to allow for less density and higher, more valuable development uses above floor 5 with interesting site lines of the city and lake.

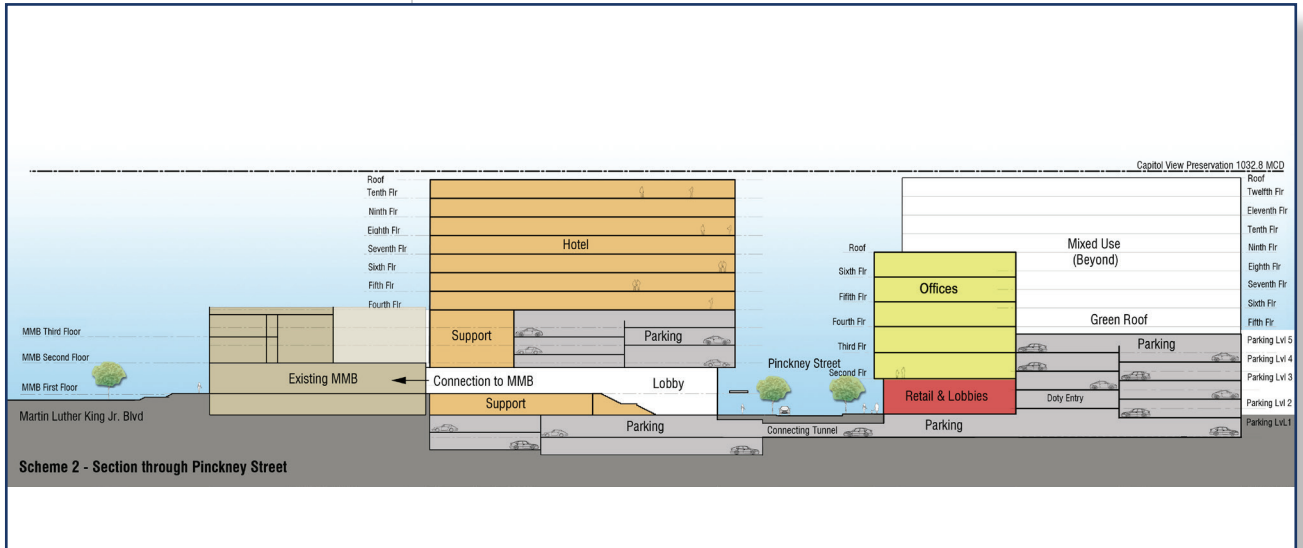
SCHEME 2 PROGRAM SUMMARY

- **Hotel**
 - o 308 rooms with 250 room block for Monona Terrace
 - o Select to full service hotel
 - o Wellness

3.0 PROJECT CONCEPT DESIGN

- **Block 88 Parking**
 - o 536 spaces in below and above grade configuration
- **Block 105 Parking**
 - o 477 spaces in below and above grade configuration
- **Bike Center**
 - o 3,000 SF center with ability to expand to 4,000 SF
- **Office and Mixed Use**
 - o Space for office, residential and hotel uses
- **Retail/Dining**
 - o Street level space along Pinckney, Doty and Wilson Streets

3.0 PROJECT CONCEPT DESIGN

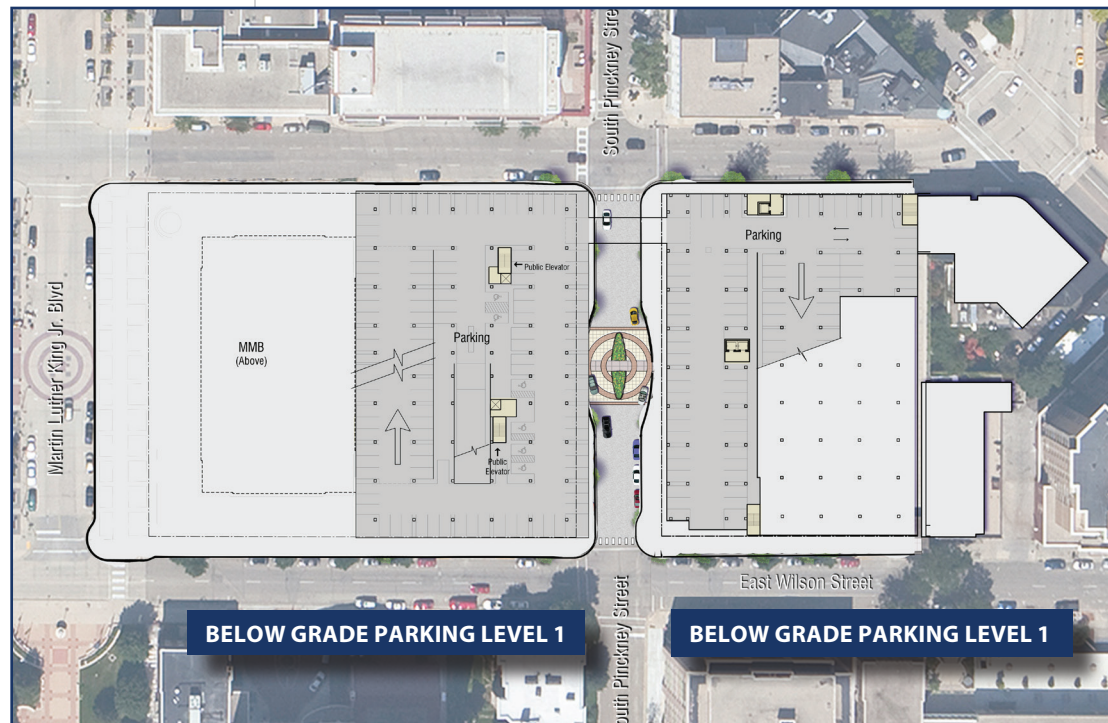


Scheme 2 - Section

3.0 PROJECT CONCEPT DESIGN



Scheme 2 - Floor Plan

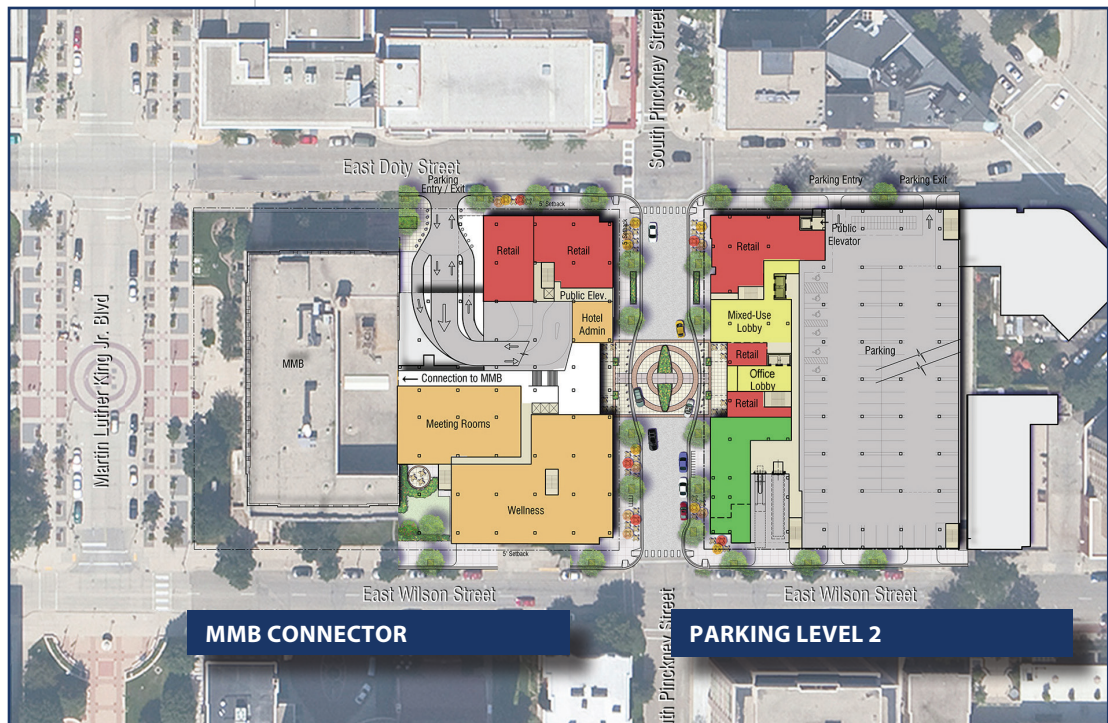


Scheme 2 - Floor Plan

3.0 PROJECT CONCEPT DESIGN

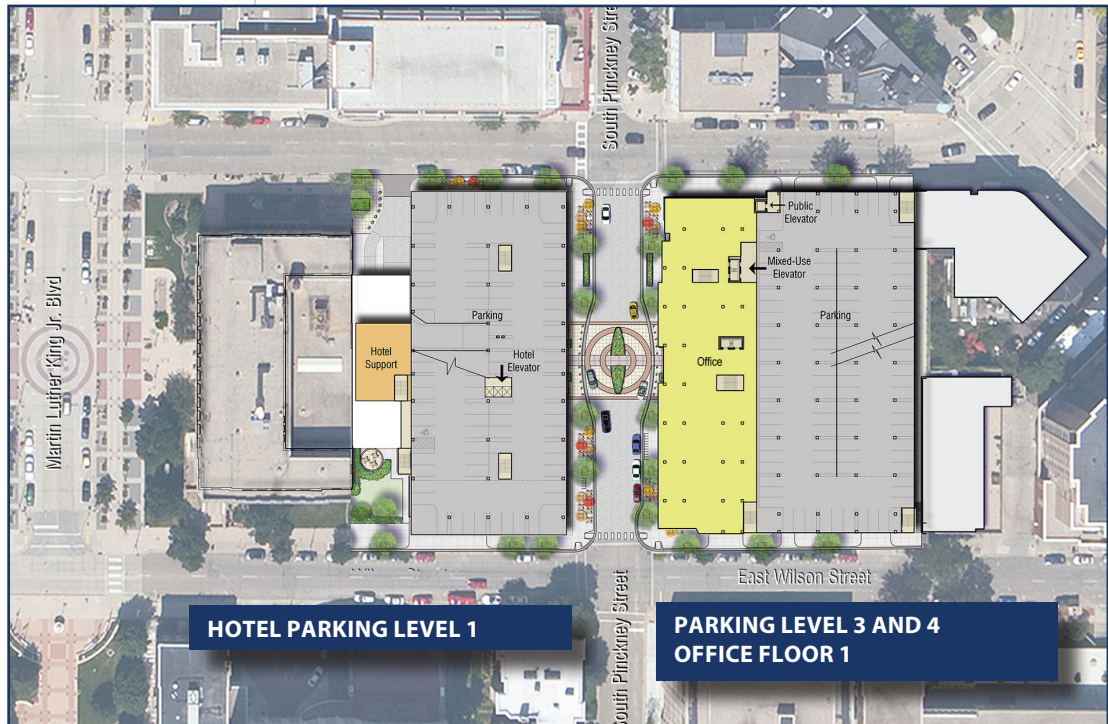


Scheme 2 - Floor Plan (Wilson Street at grade)



Scheme 2 - Floor Plan (Doty Street at grade)

3.0 PROJECT CONCEPT DESIGN

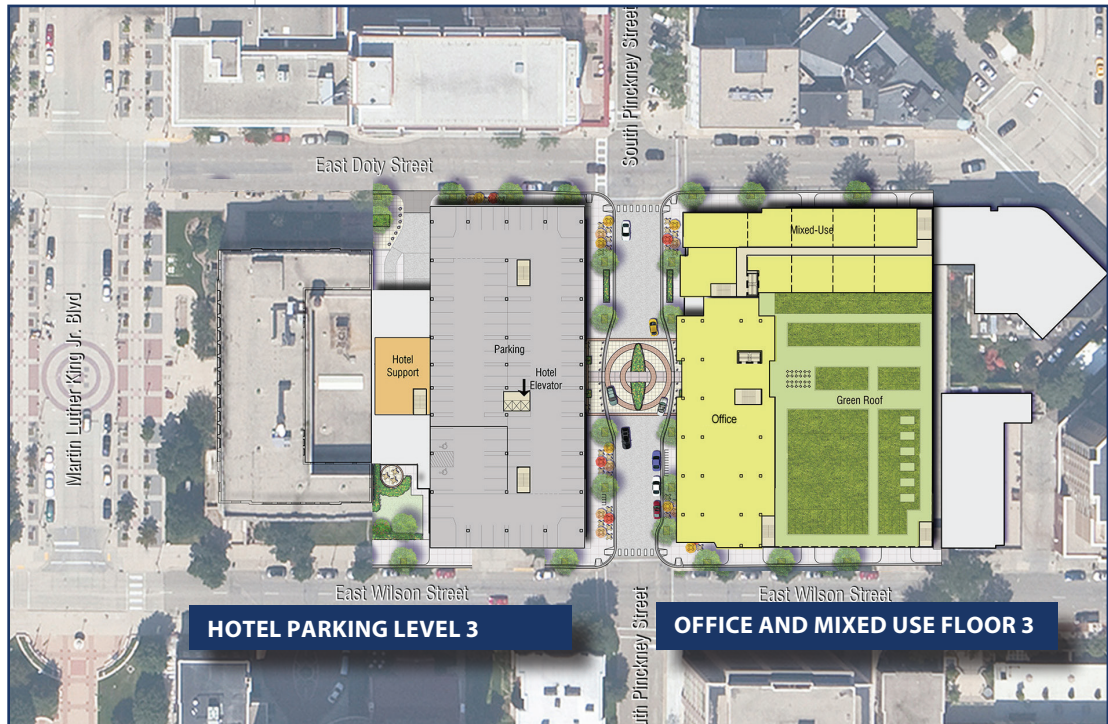


Scheme 2 - Floor Plan

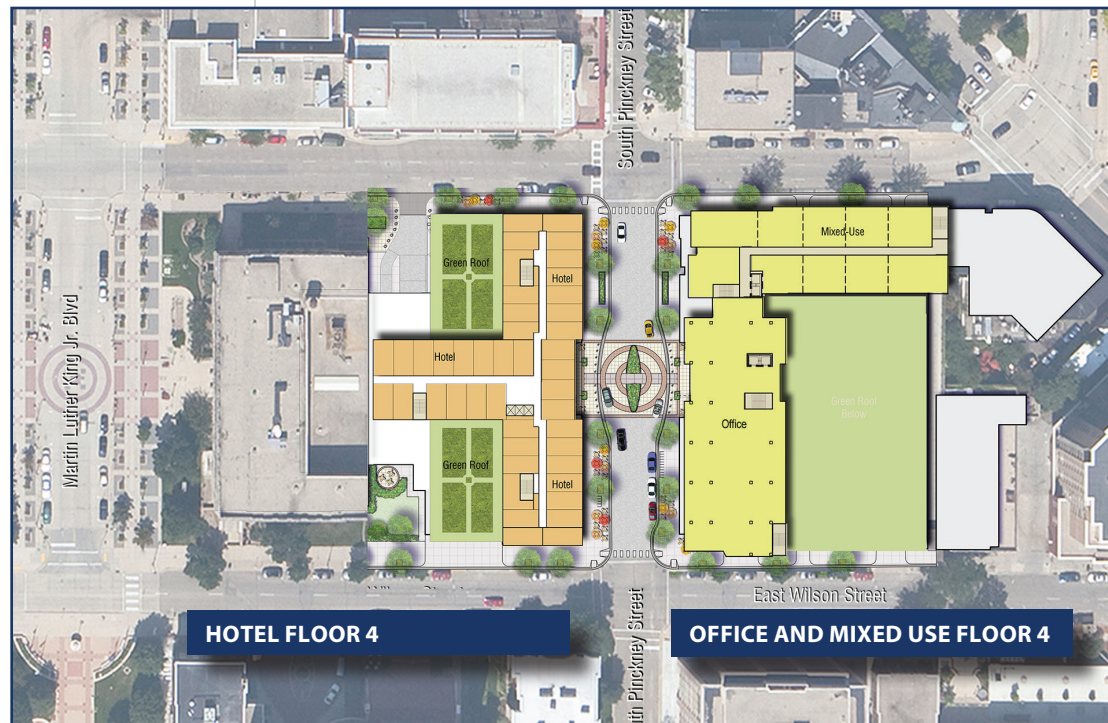


Scheme 2 - Floor Plan

3.0 PROJECT CONCEPT DESIGN

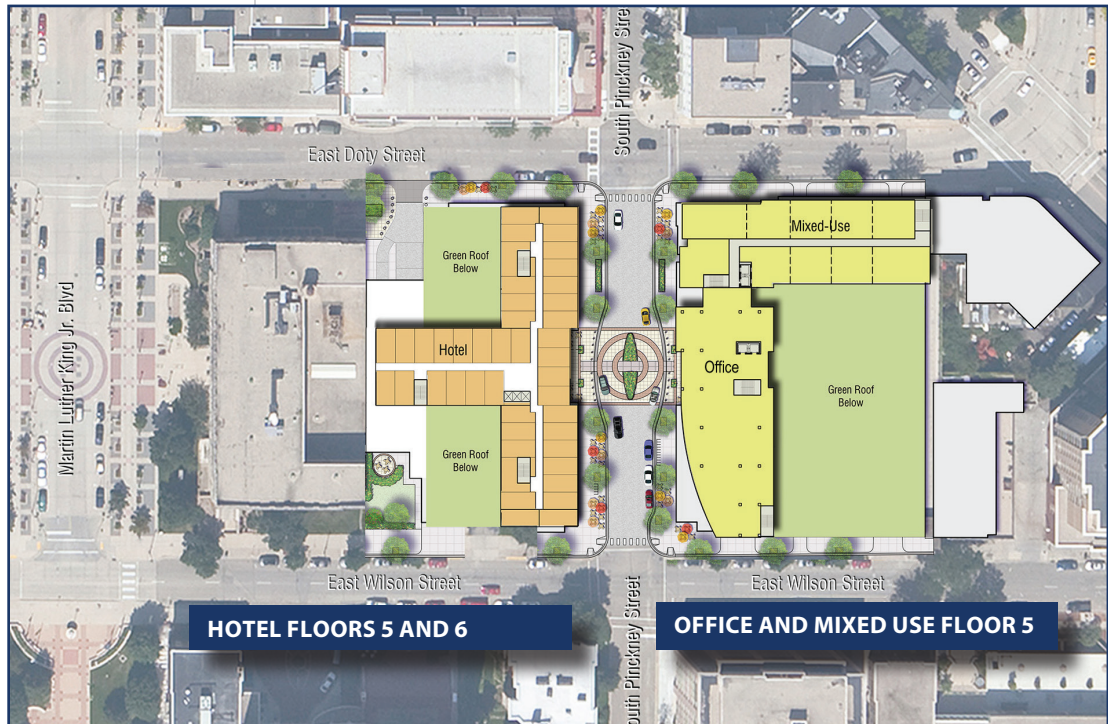


Scheme 2 - Floor Plan

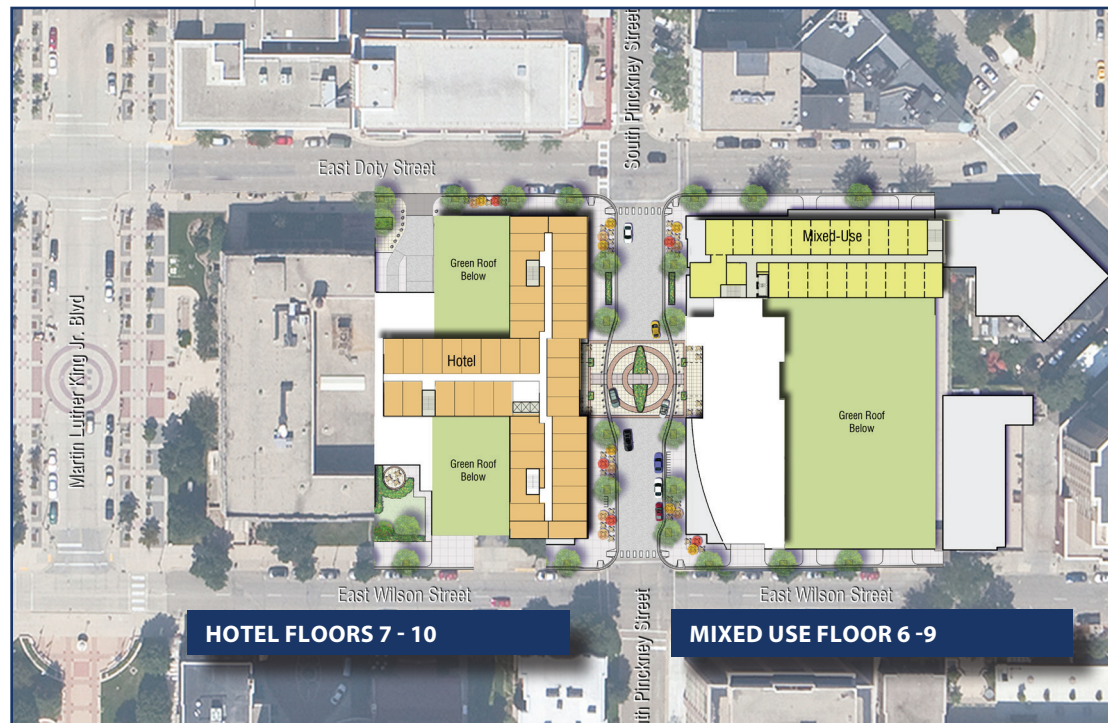


Scheme 2 - Floor Plan

3.0 PROJECT CONCEPT DESIGN

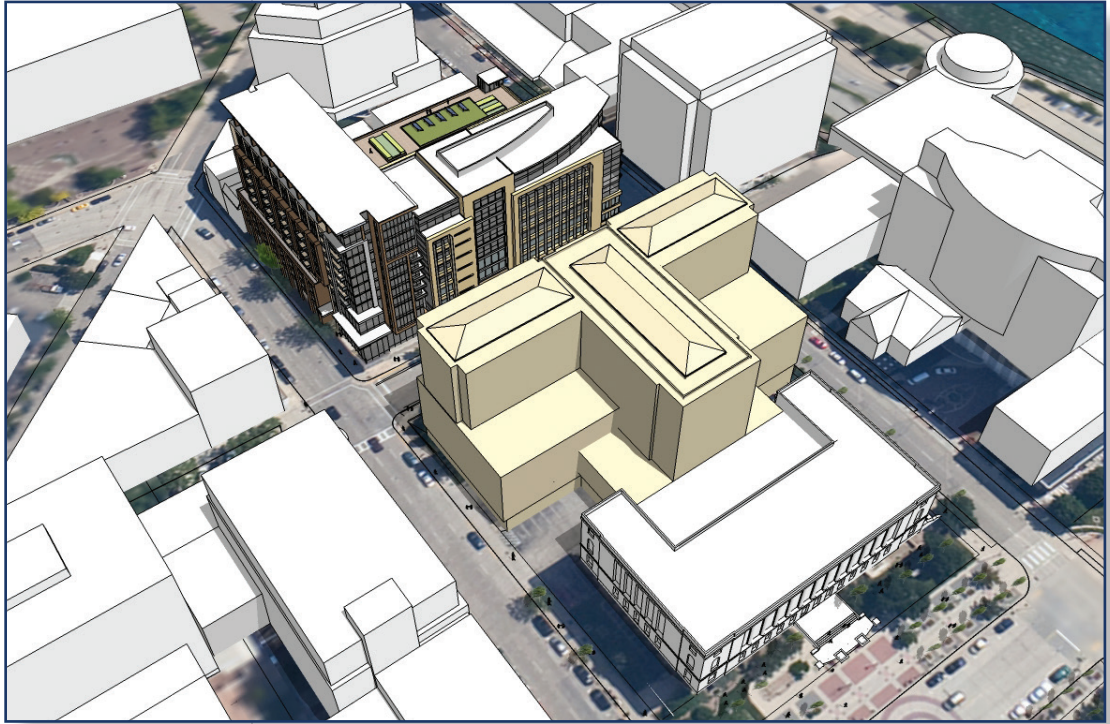


Scheme 2 - Floor Plan



Scheme 2 - Floor Plan

3.0 PROJECT CONCEPT DESIGN

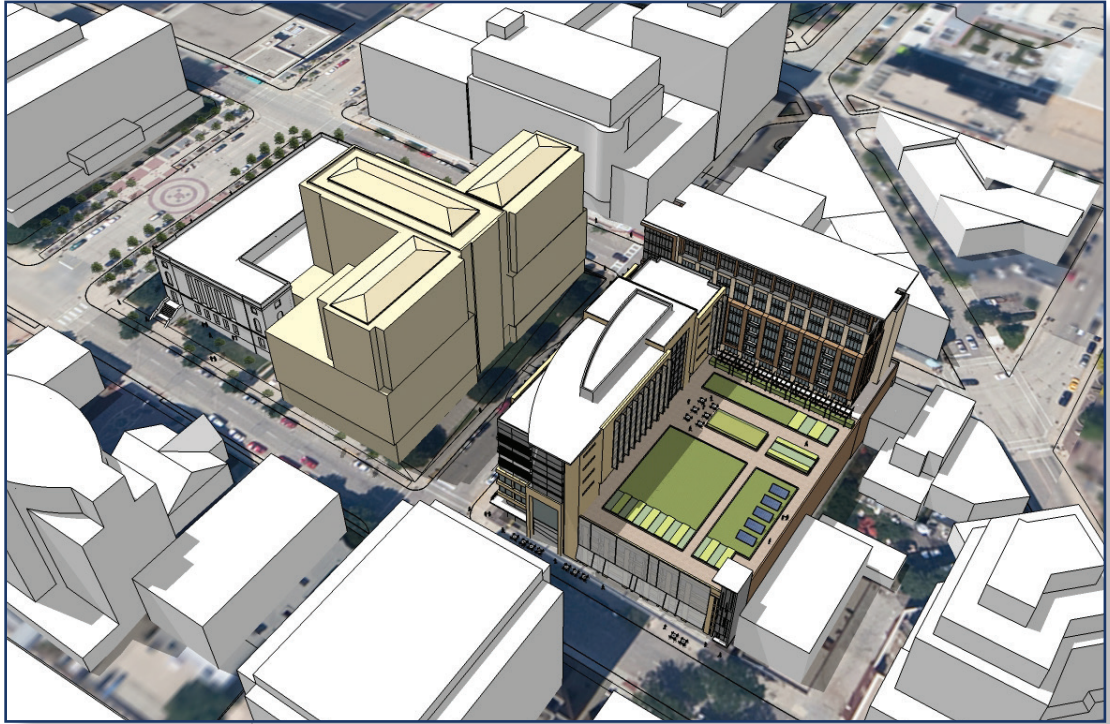


Scheme 2 - Massing Concept Northwest View

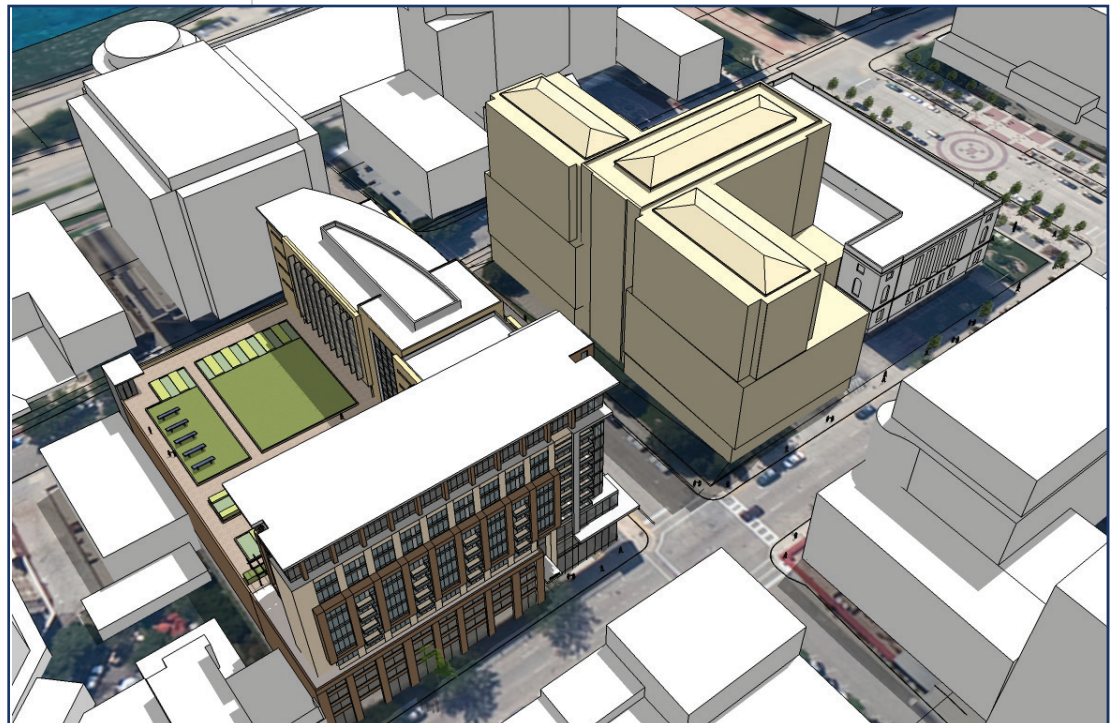


Scheme 2 - Massing Concept Southwest View

3.0 PROJECT CONCEPT DESIGN

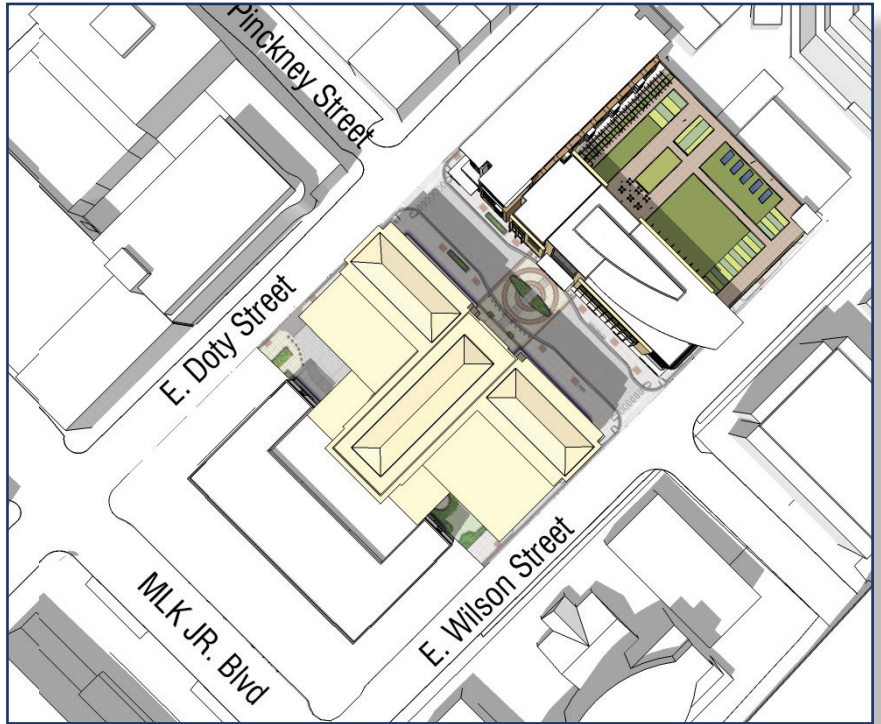


Scheme 2 - Massing Concept Southeast View

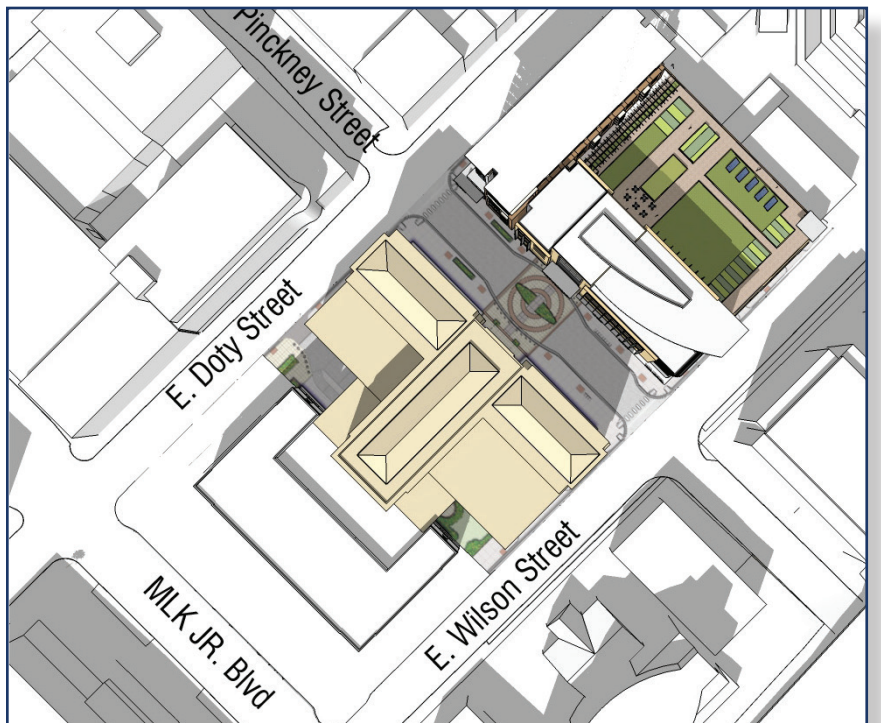


Scheme 2 - Massing Concept Northeast View

3.0 PROJECT CONCEPT DESIGN



Scheme 2 - Shadow Study (Summer 1 PM)



Scheme 2 - Shadow Study (Spring & Fall 1PM)

4.0 PROPERTY MANAGEMENT PLAN

As presented in the Project Concept Plan section of this RFP reply, the focus of our development plan on Block 88 is hotel and Block 105 is parking, office and residential, preferably with city offices relocating to Block 105 from MMB.



HOTEL

The hotel will be managed by one company. According to the Right of First Refusal executed by the City and Marcus Hotels we will negotiate with Marcus to provide hotel management services.

The hotel proposed for JDS will be a select to full service hotel. The hotel rooms have been designed to a size that will allow us to meet the standards of a variety of hotel companies and franchises ranging from Marriott to Wyndham. From our experience there are well suited hotel companies hoping to enter the downtown Madison market. The appropriate brand for the JDS hotel will be determined once the final plan and hotel program are defined. There is an appropriate time to engage hotel companies and franchises. Additional market research will be performed and visits with a group of hotel companies and franchises will be had prior to determining the most suitable brand for the downtown Madison market and JDS program components. Given our involvement with hotel companies elsewhere — and with The Edgewater — we have existing relationships with hotel companies and franchises and will pursue this at the appropriate time. The City will be welcome to participate in this process. A sampling of the hotel companies we will analyze are as follows.

- Marriott International
- Wyndham Hotel Group
- Choice Hotels International
- Starwood Hotels



OFFICES

- Our preferred approach is for the city to build and operate its own offices on Block 105.



PARKING

- It is our intention to work with the city to select the best centralized revenue management system for JDS. Additional information about parking management can be found in the Parking Management Plan section.

MIXED USE

- The other components of the development, residential, retail and dining will be overseen by the owner with the use of brokers and management companies as necessary for leasing and sales purposes.
- Preliminary discussions have been had about the mixed use spaces. The discussions with anchor tenants are confidential at this time.

5.0 PARKING MANAGEMENT PLAN

In determining the best parking plan for JDS, our team analyzed a number of options to provide the greatest customer parking experience in the safest environment while targeting the requirements of the RFP. The conceptual design developed for parking included analyzing a variety of items from customer security to payment and queuing considerations. As we advance design of the parking structures with the City we would like to explore the items presented below in more detail.



CUSTOMER SECURITY

The parking structures throughout the plan are designed with safety as a primary goal – safety for the driver and for the customer before and after parking. Security features have been provided to enhance the safety of parking patrons, their vehicles, and for the overall parking structure. In addition to providing passive security features such as minimizing sight line obstructions, open floor plan, and glass backed elevators, we expect incorporating active security features, including CCTV cameras, emergency call stations and enhanced lighting.



CCTV Cameras

Closed circuit television (CCTV) cameras should be provided on each parking level at the following locations:

- Elevator lobbies
- Stair towers
- Parking areas
- Vehicular entrance/exits
- Pedestrian entrance/exits
- Common areas

Emergency Call Stations

In addition, Emergency Call Stations should be provided on each parking level at the following locations:

- Elevator lobbies
- Stair towers
- Common areas



The CCTV and Emergency Call Stations should be connected to a central monitoring and recording station.

Lighting

White light such as LED or fluorescent will be used for this parking garage. These light sources are energy efficient and provide a longer lamp/fixture lives. White light provides a higher color rendition which provides a higher perceived security for parking patrons and makes it easier for them to recognize color of their vehicles. Additionally, white light provides higher quality images for the CCTV cameras as compared to High Pressure Sodium (HPS) which provides yellow light.

Light fixtures will be mounted over the parking areas to minimize glare for the drivers as well as improved lighting for the pedestrians. Light levels will meet Illuminating Engineering Society of North America's (IESNA) recommendations for parking garages.

5.0 PARKING MANAGEMENT PLAN

Revenue System and Customer Queuing

The JDS garage will serve multiple types of users, and therefore needs to provide a variety of entry/exit considerations and payment options. The main users will be:

- Hourly and daily users
- Monthly and residents
- Hotel guests
- Hotel meeting room attendees
- Special event parkers

The appropriate revenue management system will provide the optimal parking experience to customers. Each of the items noted below could be incorporated to minimize waiting at the gates and increase payment options. A blend of the following revenue systems should be considered to meet the needs of all users:

- Mag striped ticket with pay-on-foot
- Park-by-phone
- AVI with pre-registration
- Park-by-phone

Each of these is described below. Their integration should be considered as part of the City's RFP for a city-wide revenue control system and the detailed design of the JDS parking facilities.

MAG STRIPED TICKET WITH MULTIPLE PAYMENT OPTIONS

This system is mainly used for hourly, daily guests. Upon entrance the customer pulls a magnetically striped parking ticket. Then, at exit, the following payment options may be provided:

- Pay to a cashier using cash or a credit card.
- Insert the ticket and a credit card in an in-lane machine.
- Pay at a Pay-on-Foot (POF) station before returning to vehicles.
- Insert the ticket and a prepaid (debit) card in an in-lane machine.

The following benefits are realized with a mag stripe system:

- Pulling a ticket at entrance is common and least confusing.
- Except for paying to the cashier, all other exiting options provide fast exiting.
- Minimal/low cash handling.
- Less revenue "slippage" due to human errors.
-

Proximity Card

This system is mainly used for monthly parkers and residents. The customer registers his/her vehicle(s) and receives a proximity card. Then:

- At entrance, customer uses a proximity card. The card is attached to customer's parking account and payment is collected on a monthly basis.
- At exit, the parking gate is raised using valid credentials on the proximity card.

The following benefits are realized with a proximity card system include:

- No cash handling.
- Minimal revenue "slippage" due to human errors.
- Fast entry and exit.

5.0 PARKING MANAGEMENT PLAN

- The City collects payment in advance.
- A refundable fee may be collected to cover the cost of the proximity card.

AVI with Pre-Registration

Similar to the proximity card, this system is mainly used for monthly parkers and residents. The customer registers his/her vehicle(s) and receives an AVI (automatic vehicle identification) device. The device will be issued to customers who open a parking account at City's website.

Similar benefits are realized with the AVI and proximity card systems.

Park-by-Phone

This is a new evolving system that is mainly used for hourly, daily and visitors who return periodically to the Madison parking system. The customer registers his/her vehicle(s) using a smart phone with NFC (near field communications) capabilities. Then,

- At entrance, customer uses the same smart phone and with valid credentials, parking gate will be raised.
- At exit, customer again uses the same smart phone and parking gate is raised based on valid credentials.

The following benefits are realized with a pay-by-phone system:

- No cash handling.
- Minimal revenue "slippage" due to human errors.
- Fast entry and exit.

Customer Queuing Time

To provide high level of parking and traffic flow flexibility, entry and exit lanes are provided from Wilson Street and Doty Street. The details of entrance and exit lanes are shown in the following tables. In our preferred approach, Scheme 1, we are eliminating entry/exit onto Wilson from Block 88 due to there no longer being underground parking on this block.

Scheme 1			
Entrance/Exit	Block 88	Block 105	Total
In	1	2	3
Out	1	3	4
Total	2	5	7

Scheme 2			
Entrance/Exit	Block 88	Block 105	Total
In	2	2	4
Out	2	3	5
Total	4	5	9

5.0 PARKING MANAGEMENT PLAN

To further minimize customer queuing time for hourly and daily users, we propose to use Park-by-Phone (PBP), Pay-on-Foot (POF) stations and credit and/or debit cards at the exit lanes. By using PBP and POF stations, parking patrons would pay parking fees prior to returning to their vehicles and credit/debits cards would reduce the exit processing time as compared to paying to a cashier. For monthly and resident parkers, we propose an AVI system. AVI devices have a very short or no exit processing time. We intend to program the AVI system such that the parking gate arms would not come down when the system detects vehicles with AVI devices are lining up at the exit lanes.

For Special events, we propose to implement the following two procedures:

1. For small to mid-size events, customers would pay for parking at the POF stations or use the Pay-by-Phone. At exit, parking gates would be raised after customers insert the prepaid tickets or use their smart phones. This procedure would minimize cash handling and maintain garage vehicle counts that may be used for Parking Guidance System (PGS).
2. For larger events, use cashiers and collect parking fees at entry. At exit, provide free flow by raising the parking gate arms. This approach would minimize customer queuing at exit lanes as long as the streets can provided the needed traffic flow capacities. Additionally, it would provide flexibility to the parkers to choose the exit lanes to Wilson or Doty Streets. However, this approach may require that the PGS be calibrated after special event vehicles left the garage.

Factors Considered for Parking Demand Calculations

To calculate the optimal number of parking spaces for the JDS project we analyzed the following variables.

Shared Parking Demand - Shared parking is a commonly used practice in planning parking facilities. It is applied when land uses have different parking demand patterns throughout the day. Shared parking is effective when land uses have significantly different peak parking characteristics that vary by time of day, day of week, and/or season of the year. Shared parking strategies result in a lower parking demand as compared to the total parking demand for each land use separately.

Parking Ratios - Blended parking ratios are used to reflect local conditions and land uses. For example, one parking space per residential unit is applied based on the understanding that downtown residents will not own more than one car per unit.

Time-of-Day Factors - The shared parking demands were developed using time of day factors published in "Shared Parking" by Urban Land institute.

Existing Parking Supply (520 Spaces) - Parking demands for existing offices, visitors, guests, and contractors are met using existing parking supply of 520 spaces. We arrived at this number (520) based on maximum parking occupancy information provided by the City and applying an effective parking demand factor of 10 percent.

5.0 PARKING MANAGEMENT PLAN

Special Event Parking - Significant parking from existing parking supply of 520 spaces will be available for special events occurring on weekday evenings and weekends.

As a result of this analysis we are targeting over 902 parking spaces in Scheme 1 and over 859 in Scheme 2. Reasonable assumptions were applied to the mixed use building spaces in order to calculate parking demand. As these spaces are further defined, the parking calculation will be updated accordingly. In Scheme 2, the larger difference between demand and supply is a result of the parking garage layouts and the uncertainty about the final uses for Block 105.

The following tables present the assumptions used in estimating parking demand for both Schemes.

**Preliminary Shared Parking¹ Demands
for New Above Ground Development - SCHEME 1**

Block 88	Area / No. of Units	Parking Demand Ratios ²	Non Shared Parking Demands	Shared Parking Demand ³				Supply for Special Events
				Weekdays		Weekends		Weekends ⁵
				Daytime	Evening	Daytime	Evening	
Retail	7,480 SF	4.0/1,000 GLA	30	30	28	30	24	
Hotel	308 Rooms	0.9/Room	277	166	277	166	277	
Hotel - Meeting Rooms	11,250 SF	1/1,000 GLA	11	11	0	0	0	
Restaurant	19,800 SF	5.68/1,000 GLA	112	90	112	112	112	
Wellness/Fitness Center	11,000 SF	4.62/1,000 GFA	51	41	46	25	48	
Block 105								
Retail	7,000 SF	4.0/1,000 GLA	28	28	27	28	22	
Residential	80 Units	1.0/Unit	80	16	80	56	80	
City Offices ⁴	80,620 SF	N/A	0					
Subtotal of Above Demands			590	382	570	418	564	312
Reserved parking spaces for current land uses ⁴			520	520	26	52	26	
Total Parking Demands ⁶			1,110	902	596	470	590	

1. Shared parking is a commonly used practice in the parking industry. It is applied when land uses have different parking demand patterns and the same parking spaces can be used by different patrons. Shared parking is effective when land uses have significantly different peak parking characteristics that vary by time of day, day of week, and/or season of the year. Shared parking strategies result in a lower parking demand as compared to the total parking demand for each land use separately.

2. Blended parking ratios are used to reflect local conditions and land uses. For example, one parking space per residential unit is applied based on the understanding that downtown residents will not own more than one car per unit.

3. The shared parking demands were developed using time of day factors published in "Shared Parking" by Urban Land Institute.

4. Parking demands for existing offices, visitors, guests, and contractors are met using existing parking supply of 520 spaces. We arrived at this number (520) based on maximum parking occupancy information provided by the City and applying an effective parking demand factor of 10%.

5. Significant parking from existing parking supply of 520 spaces will be available for special events occurring on weekday evenings and weekends.

6. It is a common practice in the parking industry to provide a "cushion" of parking spaces to accommodate for double parking, minor repairs, and to minimize the time to hunt for the last few parking spaces. This cushion is also referred as "Effective Parking Demand (EPD)". Generally, the EPD is between 5% and 15%. Lower EPD is used for monthly/long-term parkers (5%) and higher for transient/short-term parkers (15%). We have not applied an EPD to our parking demand calculations as we want to discuss EPD with the City to come up with appropriate demand factors.

5.0 PARKING MANAGEMENT PLAN

Preliminary Shared Parking¹ Demands for New Above Ground Development - SCHEME 2

Block 88	Area / No. of Units		Parking Demand Ratios ²	Estimated Parking Demands	Shared Parking Demand (based on time of day) ³				Supply for
					Weekdays		Weekends		Special Events
					Daytime	Evening	Daytime	Evening	Weekends ⁵
Retail	11,850	SF	4.0/1,000 GLA	47	47	45	47	38	
Hotel	308	Rooms	0.9/Room	277	166	277	166	277	
Hotel - Meeting Rooms	6,800	SF	1/1,000 GLA	7	7	0	0	0	
Wellness/Fitness Center	10,000	SF	4.62/1,000 GFA	46	37	42	23	44	
Block 105									
Retail	5,180	SF	4.0/1,000 GLA	21	21	20	21	17	
Hotel	84	Rooms	0.9/Room	76	53	64	53	64	
Residential	40	Units	1.0/Unit	40	8	40	28	40	
City Offices ⁴	80,620	SF	N/A	0					
Subtotal of Above Demands				514	339	488	338	480	353
Reserved parking spaces for current land uses ⁴				520	520	26	52	26	
Total Parking Demands ⁶				1,034	859	514	390	506	

1. Shared parking is a commonly used practice in the parking industry. It is applied when land uses have different parking demand patterns and the same parking spaces can be used by different patrons. Shared parking is effective when land uses have significantly different peak parking characteristics that vary by time of day, day of week, and/or season of the year. Shared parking strategies result in a lower parking demand as compared to the total parking demand for each land use separately.

2. Blended parking ratios are used to reflect local conditions and land uses. For example, one parking space per residential unit is applied based on the understanding that downtown residents will not own more than one car per unit.

3. The shared parking demands were developed using time of day factors published in "Shared Parking" by Urban Land institute.

4. Parking demands for existing offices, visitors, guests, and contractors are met using existing parking supply of 520 spaces. We arrived at this number (520) based on maximum parking occupancy information provided by the City and applying an effective parking demand factor of 10%.

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6.0 BICYCLE CENTER MANAGEMENT PLAN

As part of the JDS Master Plan, Mobis and Kimley-Horn gathered and analyzed survey data from nearly 1,500 respondents. The findings from the survey were based on strong statistics and a consensus that there is justification for a bicycle center. This information was used in developing the bicycle management plan.

- A bicycle center in JDS will clearly be useful for a great number of Downtown bicycle commuters. In addition many survey respondents would find the facility useful during the workday for parking even if it's not their primary parking for their office.
- A majority of Madison survey respondents are avid cyclists and are also highly multi-modal, switching between car and bike or bike and transit.
- Information gathered about survey respondents shows a broad economic demographic of bicycling in Madison.
- Approximately 52% of survey respondents stated that their primary destination when traveling to/from Downtown Madison by bicycle is their place of employment.

PUBLIC SECURE INDOOR BICYCLE PARKING FACILITIES

Our plan proposes a public secure indoor bicycle parking facility. The JDS Master Plan included relevant operating expectations for the bicycle center based on statistics from similar climate and demographic locations to Wisconsin. These findings provide parameters by which the bicycle center management plan has been developed.

Totals for National Facilities with Seasonal Climates Similar to Wisconsin

Facilities include: Chicago, IL; Portland, OR; Washington, DC; Cleveland, OH; Seattle, WA; St. Louis, MO; and Toronto, Canada

Average # of Indoor Secure Bike Spaces per Facility	120
Average Yearly Administration/Deposit Fee	\$15.63
Average Hourly Usage Fee	\$0.02
Average Daily Usage Fee	\$3.17
Average Monthly Usage Fee	\$19.00
Average Yearly Usage Fee	\$103.71
Average 2010 Median Household Income for the 7 Locations	\$49,927
2010 Median Household Income for the City of Madison, Wisconsin	\$51,288

6.0 BICYCLE CENTER MANAGEMENT PLAN

The amenities requested by the community of Madison did not vary greatly from the most common, with the exception of a bicycle wash station, which ranked high due to the specific weather and seasonality of the Madison area. The number one survey request was for a facility program with secure indoor 24/7 accessible bicycle parking. Restrooms and self-service repair were the second and third most desired amenities. Our bicycle center plan includes these priorities and also includes or considers including the following amenities.

- Changing rooms
- Showers
- Lockers
- Repair services/vending
- Bicycle advocacy/community space
- Repair stands and tools

We have also taken into consideration a vision statement for the bicycle center by both the Bicycle Federation of Wisconsin (BFW) and Downtown Madison, Inc. (DMI). Three key goals for creating the bicycle center are:

1. Servicing the needs of the current bicycling community
2. Educating and engaging new bicyclists
3. Facilitating a strong connection between Madison's Metro Transit system and bicycles as a primary source of transportation

BIKE CENTER

A bicycle center is included on Block 105 with access from Pinckney Street. The center is intended to provide a variety of amenities for the existing and growing bicycling community in Madison. The high level of visibility will help attract users and promote the continued use of the center.

Pinckney Street and Wilson Street offer opportunities to facilitate safe and efficient bicycle circulation. The proximity of significant employers such as State, County and City Government offices as well as numerous private sector employers and bus routes provides a large base of potential users for the bicycle center.

The center will be a secure space with a potential mix of lockers, repair tools and changing rooms. Lighting of the bicycle center will be bright to ensure a safe, comfortable environment for patrons. The program will incorporate concepts learned from the continued input from the biking community and discussions with the City regarding capital costs. The proposed operating model for the bicycle center is preliminary and will be dependent on further planning with the City and the community.

MANAGEMENT PLAN

Our proposal is to use a phased approach to the bicycle center. The facility would start out as a self-serve, subscriber-only facility and, if successful, move to a staffed facility in the future. As explained in the JDS Master Plan, this scenario is generally used when there is low or uncertain demand for staffed services at the facility and/or a lack of resources to immediately embrace a fully staffed scenario. It allows for lower risk upfront and for growing the

6.0 BICYCLE CENTER MANAGEMENT PLAN

market organically. This is a conservative approach intended to effectively use the city's upfront capital investment to spark interest and then use sources generated from growing memberships to add amenities.

The management plan intends to use minimal staff to operate the bicycle center. The full breadth of amenities will be determined after further discussion with the city regarding upfront capital costs. A staffed technology administration position may be needed to ensure reliability of the access control system but this service could also be contracted by a technology consultant. Services for routine tasks such as interior cleaning will be outsourced to local vendors.

We are assuming investment resources are available to implement a security system and revenue management system that will provide ongoing software and physical support for an annual fee. Our plan assumes access control and visitor management with a reporting system will be implemented when launching the bicycle center. The access control system is expected to be a more complicated computer network system with a universal fare card or oversight by a company specialized in bicycle center user management and operations. Access control systems, visitor management/reporting systems, data transmission, power, reliability, capital cost, and security access-vendor control will need to be provided by this system. These costs for software and hardware components will impact upfront costs for the bicycle center.

The potential roles of the operator and City of Madison will be further examined in subsequent phases of this project but we understand the desires of the city to not be involved in the ongoing operations of the bicycle center.

7.0 HOTEL ROOM BLOCK

ROOM BLOCKS

The hotel room block for Monona Terrace and the key provisions of the room set-aside are as follows. GMCVB refers to Greater Madison Convention Visitors Bureau and Hotel refers to the Judge Doyle Square hotel rooms.

PROCESS

- Hotel submits a room block proposal to the GMCVB and collects all proposals from GMCVB. Hotel will set rates for client.
- GMCVB will notify Hotel as soon as a client has indicated the selection of Madison and Monona Terrace contract process has begun.
- Hotel will issue and finalize contracts with client.
- If Hotel business has the potential of interrupting GMCVB client proposed blocks, Hotel will discuss alternatives with GMCVB. GMCVB will have first option (first right of refusal) to book the proposed business within a reasonable time frame and/or GMCVB will agree to reduce or release the proposed block.
- GMCVB will strongly encourage and actively work with clients (specifically annual MT business) to process and execute Hotel contracts at least 24 months in advance of meeting start dates.
- Periodic meetings will be held with GMCVB to review proposals, discuss room block conflicts and determine ways to increase or optimize business.

BOOKING WINDOW

More than 24 months out:	GMCVB is guaranteed blocks of 250 rooms at a rate determined by Hotel.
18-24 months out:	GMCVB pending proposals are first option (given first right of refusal). Should Hotel business arise, Hotel will give GMCVB ample notification to book the GMCVB pending proposal business. If unable to book, the GMCVB will agree to reduce or release proposed block to accommodate Hotel business. Should there be no GMCVB proposal pending, Hotel agrees to provide monthly an updated calendar showing room availability within the 24-month window.
12-18 months out:	Ongoing communication between Hotel and GMCVB regarding outstanding pending proposals and reasonable deadline to contract business, reduce block or release block. New business is first come, first served.

7.0 HOTEL ROOM BLOCK

ROOM RATES

Rates will be negotiated between Hotel and client. Rates are more negotiable the farther out the business is contracted so Hotel is able to re-capture the revenue through yield management efforts.

OTHER

City wide events as defined by GMCVB are not subject to the terms of the room block.

8.0 DETAILED CONSTRUCTION BUDGET

The table below presents the preliminary construction budget for the plans proposed in each Scheme. As required the table includes both hard and soft costs. The main reason for the higher cost in Scheme 2 is the need for underground parking to meet development needs on Block 88 and 105.

Scheme 1	Block 88	Block 105	TOTAL
USES OF FUNDS			
Site & Demolition	\$ 1,569,000	\$ 927,000	\$ 2,496,000
Hard Costs and FF&E	71,526,000	30,368,000	101,894,000
Architecture and Engineering	4,758,000	2,037,000	6,795,000
Professional Services	4,386,000	1,878,000	6,264,000
Soft Costs	13,157,000	5,634,000	18,791,000
City Offices	-	22,900,000	22,900,000
TOTAL	\$ 95,396,000	\$ 63,744,000	\$ 159,140,000

Scheme 2	Block 88	Block 105	TOTAL
USES OF FUNDS			
Site & Demolition	\$ 1,648,000	\$ 2,036,000	\$ 3,684,000
Hard Costs and FF&E	75,093,000	66,699,000	141,792,000
Architecture and Engineering	4,996,000	4,475,000	9,471,000
Professional Services	4,604,000	4,124,000	8,728,000
Soft Costs	13,814,000	12,372,000	26,186,000
City Offices	25,920,000	-	25,920,000
TOTAL	\$ 126,075,000	\$ 89,706,000	\$ 215,781,000

Sources of Funds Comparison	Scheme 1	Scheme 2	City Savings
SOURCES OF FUNDS			
Public Investment	\$ 67,712,000 43%	\$ 88,255,000 41%	\$ 20,543,000
Private Investment	\$ 91,428,000 57%	\$ 127,526,000 59%	
TOTAL	\$ 159,140,000	\$ 215,781,000	\$ 20,543,000

9.0 DEVELOPMENT PHASING PLAN

The Development Phasing Plan on the following pages presents the expected staging to fully develop JDS and corresponding parking needs. The proposed plan includes the following phases. Staging would follow a similar pattern for both Schemes.

PHASE 1

Occupy parking on Block 105
Construct parking on Block 88

PHASE 2

Occupy parking on Block 88
Demo Pinckney Street bay of Government East ramp (1/3rd of ramp)
Occupy East bay of Government East ramp (2/3rd of ramp)
Construct parking, new offices, bicycle center and street level retail on Block 105

PHASE 3

Occupy parking on Block 88
Occupy offices and street level uses on Block 105
Construct new hotel and remodel MMB on Block 88
Demo East bay of Government East ramp and construct new parking garage on Block 105

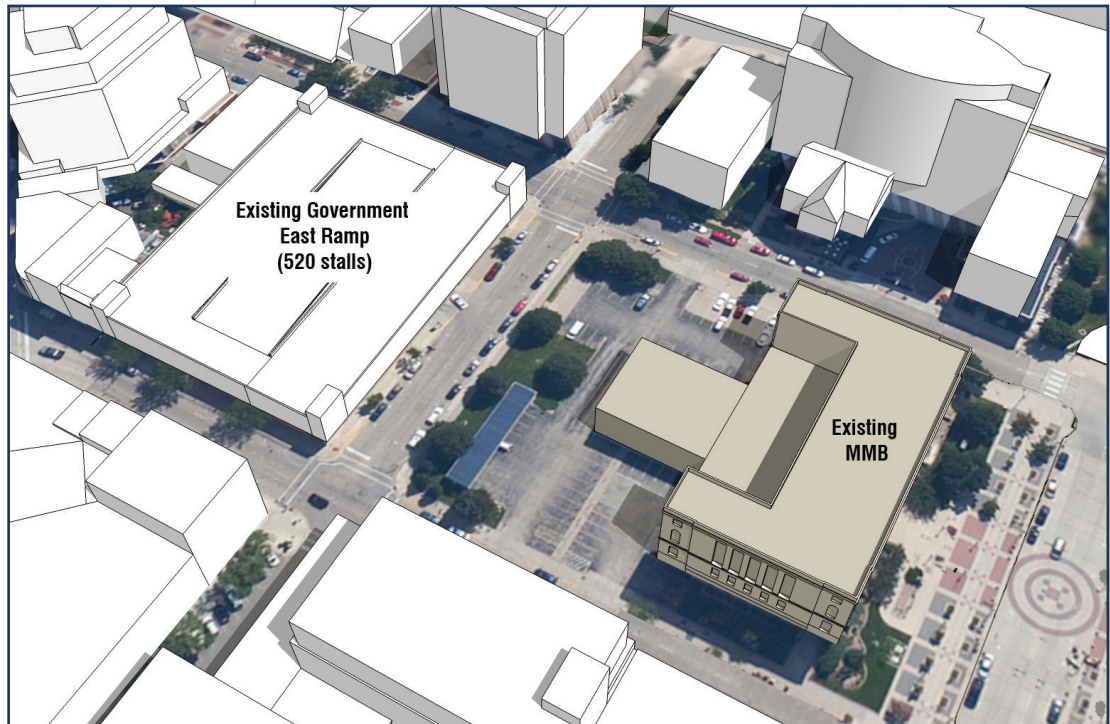
PHASE 4

Occupy parking on Block 88
Occupy hotel on Block 88
Occupy offices and street level uses on Block 105
Occupy new parking ramp on Block 105
Construct mixed uses on Block 105

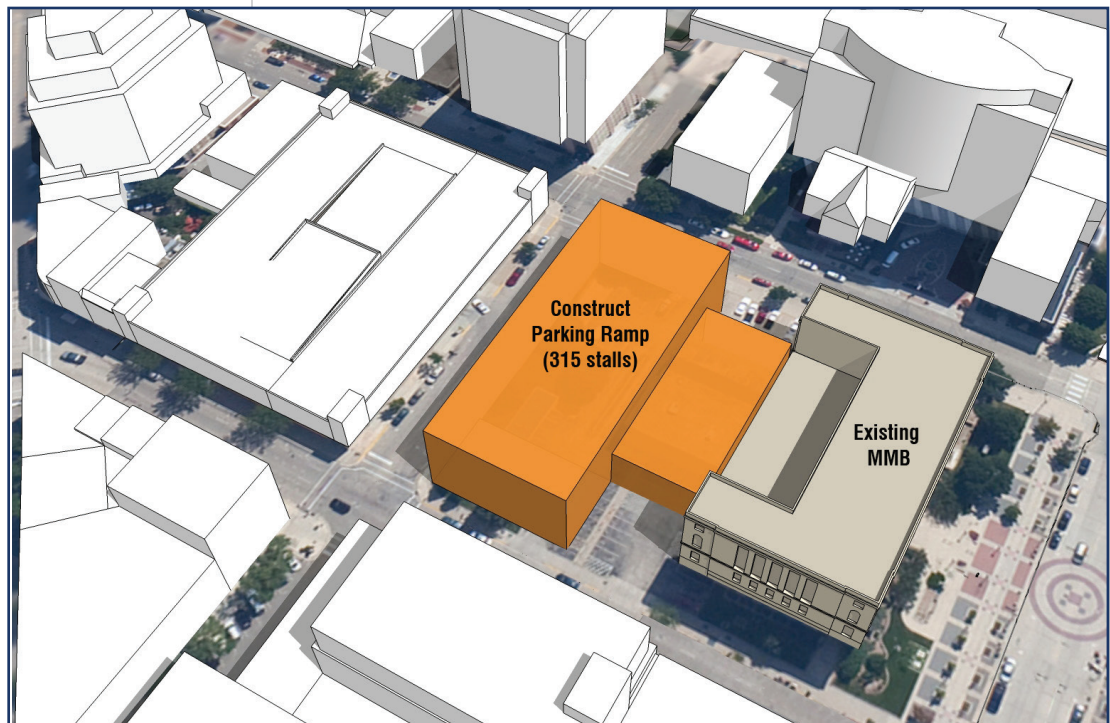
COMPLETION

Occupy parking on Block 88
Occupy hotel on Block 88
Occupy offices on Block 105
Occupy new parking ramp on Block 105
Occupy mixed uses on Block 105

9.0 DEVELOPMENT PHASING PLAN

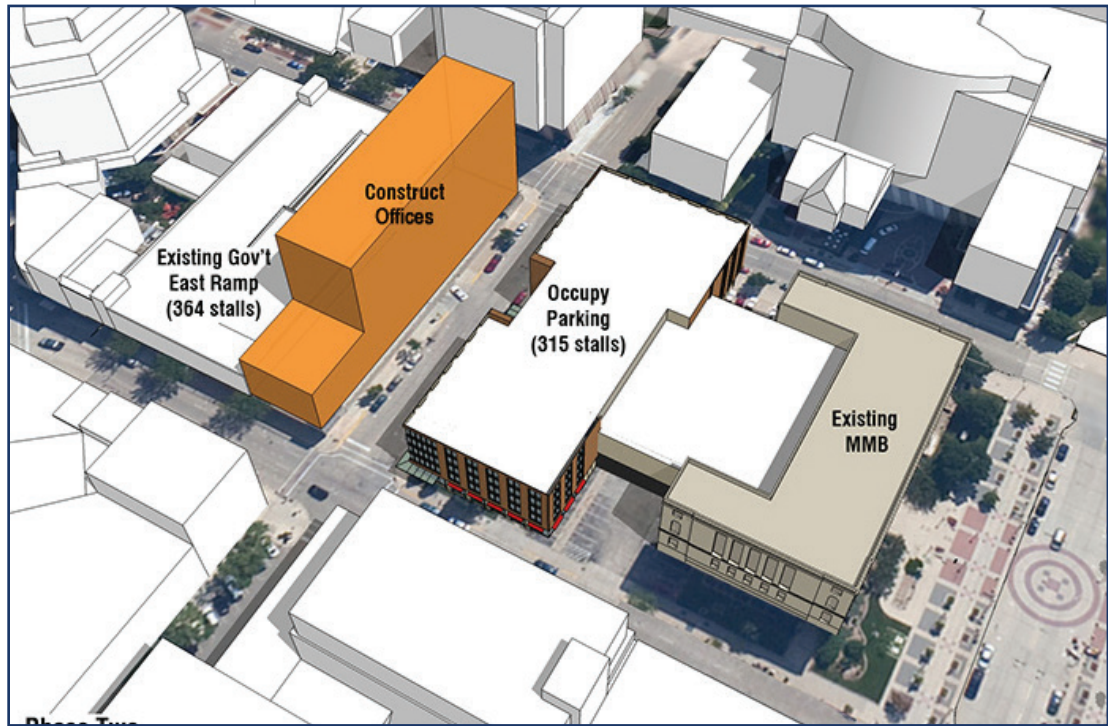


Phasing Plan - Existing

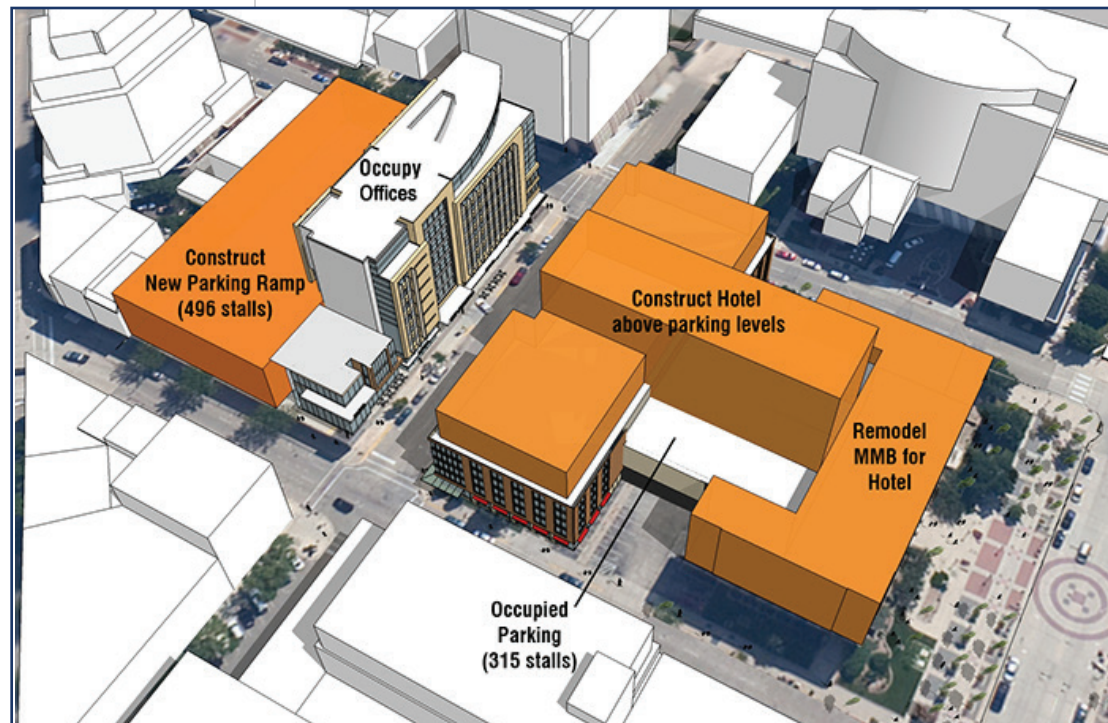


Phasing Plan - Phase 1

9.0 DEVELOPMENT PHASING PLAN

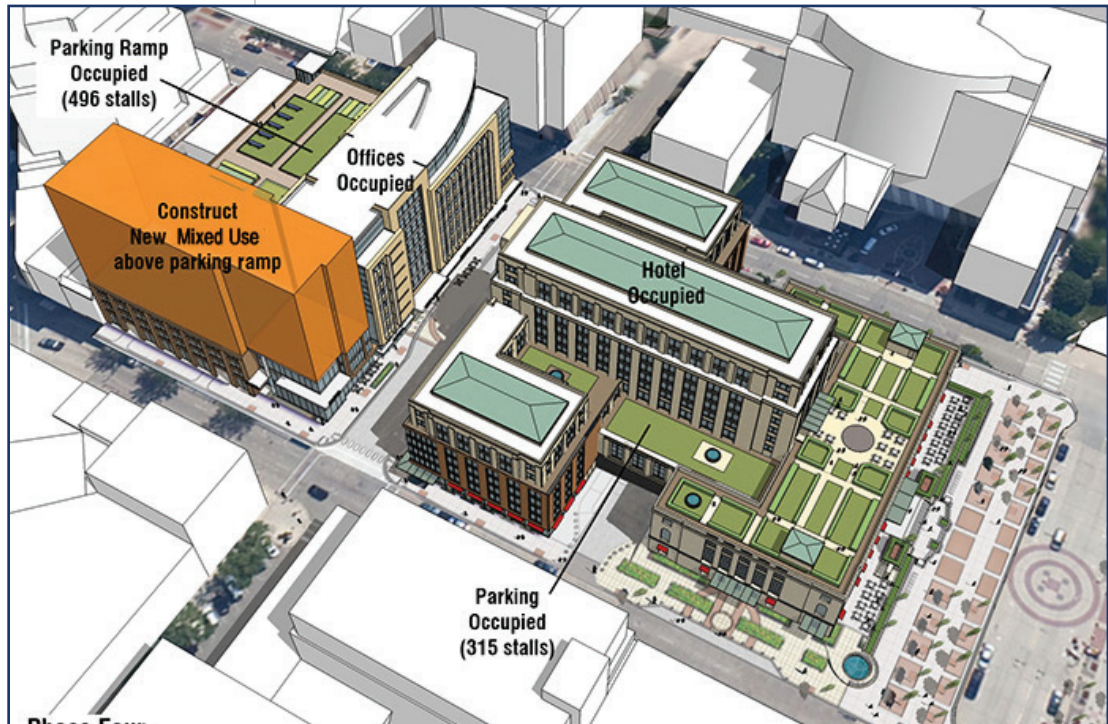


Phasing Plan - Phase 2

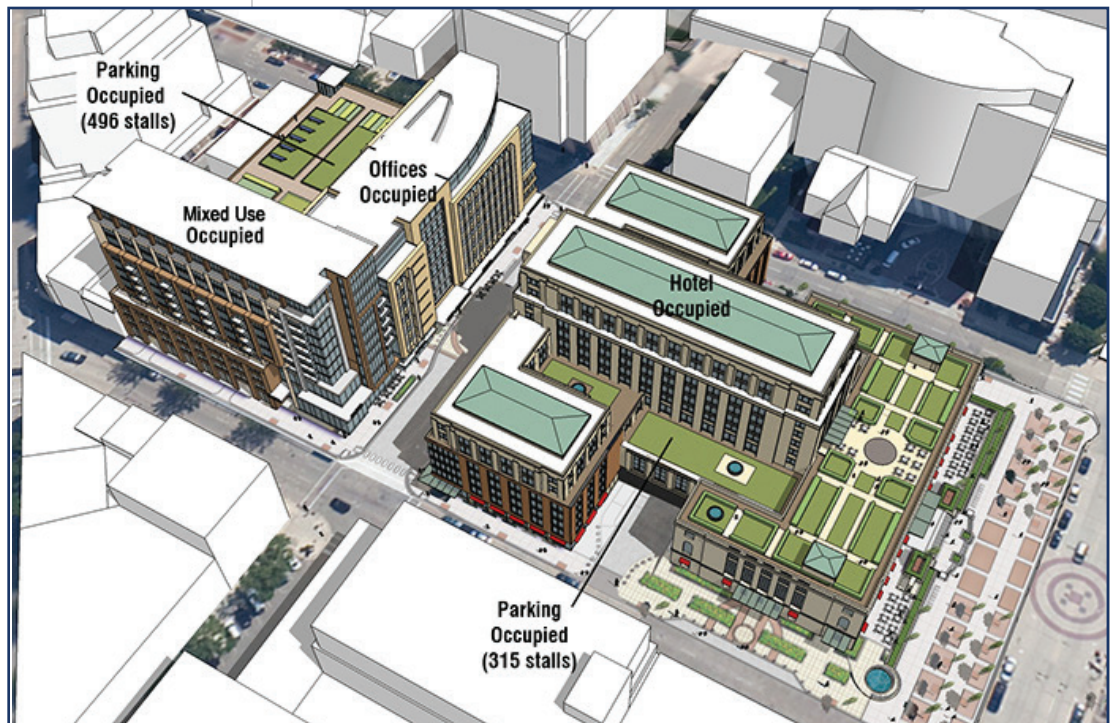


Phasing Plan - Phase 3

9.0 DEVELOPMENT PHASING PLAN



Phasing Plan - Phase 4



Phasing Plan - Project Completion

10.0 MARKET INFORMATION

Vacancy rates for business spaces in Madison's Central BID has decreased from **6%** in 2011 to **5.7%** in 2012.

From 2010 to the end of 2011, **8.65 million** people visited major destinations in downtown Madison.

In 2011, close to **\$200 million** was generated from downtown tourism.

Over **80%** of tourism spending downtown is on food & beverage, retail and lodging.

From 2000 to 2011 the population of downtown Madison has increased by **7.8%**.

In 2012, multi-family rental vacancy rates in downtown Madison fell to **2.87%**.

Source: DMI State of the Downtown 2012

To build the financial plan for JDS we relied on years of research performed in developing The Edgewater in Madison and mixed use projects across the country. We supplemented our experience and past research with reports and analysis performed by others for this project. A sampling of reports and studies used to build the finance plan included in this proposal are as follows.

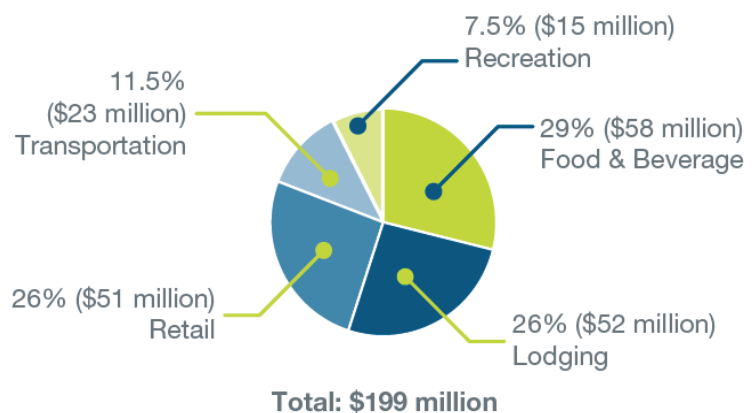
- Hotel Feasibility Study by Johnson Consulting
- Downtown Madison Convention Hotel Study by Hunden Strategic Partners
- Edgewater Hotel Strategic Market Study by CBRE for Madison, WI
- Monthly Smith Travel Research reports specific to downtown Madison
- Monona Terrace Annual Report
- Monona Terrace Community and Economic Impact Report
- Downtown Madison, Inc. State of the Downtown

We have been actively engaged in studying the hotel market in Madison and the surrounding region. Over the past several years, as The Edgewater was developed, we identified gaps in the market for specific hotel needs ranging from room sizes to amenities. As part of this research we have also studied dining and entertainment venues across the country, identifying those that have potential to be very successful in Madison.

For The Edgewater project, we worked with CBRE to develop a comprehensive study of area hotels, restaurants and events. The final report summarized a variety of things ranging from demographics, transportation options, business and industry overview, economic impacts and trends in Madison visitation.

A major component of the CBRE study was a demand generator study. We spent a significant amount of time and resources on understanding exactly who is coming to the market, why they are coming and who we are competing

2011 Direct Visitor Spending Breakdown for Downtown Madison*



Source: The Economic Impact of Tourism in Madison, WI, May 2012 Tourism Economics

*Downtown Madison defined as 53703 zip code.

10.0 MARKET INFORMATION

with in attracting this business. The study looked at a variety of travelers including leisure (athletics and tourism), group (conventions and events) and corporate (individual business travelers).

The Madison Hotel Feasibility Study by Johnson Consulting for the City of Madison was published less than a year ago and includes some of the most up to date hotel and meetings/events market information. Another resource used in our research was the annual reports for Monona Terrace which provided us the details about events and meetings being held in Madison.

To further define the details of our finance plan, such as average daily rate, occupancy, rental rates and dining metrics, we combined the findings from these reports with internal research from STR reports and other experiences. Based on all this research, we believe the mix of uses in our plan will meet the needs of the market. Our finance plan is very attainable under a cohesive partnership with the City of Madison and other stakeholders in the community.

Table 6-2

Madison, Wisconsin Historical Lodging Statistics

	Occupancy		ADR		RevPAR	
	%	% Growth	\$	% Growth	\$	% Growth
2010	56.4%	-	\$85.80	-	\$48.37	-
2011	61.2%	8.5%	\$89.17	3.9%	\$54.56	12.8%

Source: Smith Travel Research, Madison WI Convention and Visitors Bureau

In 2010 and 2011, market-wide occupancy was 56.4 percent and 61.2 percent, respectively, representing a healthy 8.5 percent recovery. Average Daily Rate (ADR) was \$85.80 in 2010 and subsequently increased by 3.9 percent to \$89.17 in 2011.



11.0 DESCRIPTION OF TERMS OF REAL ESTATE

The plans proposed for JDS may result in complex ownership structures. Discussion between the city and other stakeholders will need to be held before final property ownership structure and phasing can be determined. Many factors will need to be analyzed to ensure all participants are getting adequate returns for their investments.

The details of the ownership structure will need to be determined for the following:

- MMB or new city office building
- Parking on Block 88
- Development rights above Block 88 parking
- Parking on 105
- Development rights above Block 105
- Land

A combination of lease and ownership structures will need to be discussed with the city. The ability to finance the privately owned components of JDS will require a reasonable approach to property rights. This may include, where appropriate, recording condominium units, direct acquisition, long-term ground lease with an option to purchase upon termination. The timing of these transactions will depend on completing design of the project sufficient to define the property ownership units.

A determination will also need to be made as to which finance vehicle is appropriate for each development use. In some instances it may be best to use tax exempt bond issuances for public components. In other cases, depending on ownership structure, it may be beneficial to maintain private ownership in order to secure private debt or tax credits.

All of these items need to be discussed further after determining which development plan the city is interested in pursuing. Review and discussion of the finance plan submitted as part of this RFP reply will also assist in determining property ownership structure and phasing. We hope to have the opportunity to address this topic further in future interviews.

12.0 WORKFORCE UTILIZATION PLAN / TARGETED BUSINESS GOALS

DEMOGRAPHIC DIVERSITY

The Development Team is committed to the principal philosophy of Minority/ Women Business Enterprise ("M/WBE") and Locally Based Enterprises ("LBE") practices to promote and encourage active and meaningful participation and employment of minority and locally owned businesses and individuals.

We are committed to meeting or exceeding the city's W/MBE goals for this Project, including ensuring that minorities and women are adequately represented in the construction workforce.

CONSTRUCTION AND PERMANENT JOB COMPLIANCE PLAN

Realization of the minority participation goal requires dedication to the involvement of M/WBE and LBE businesses and individuals in all facets of the development process - professional services, contracting for construction and the project workforce and the ongoing management and operations teams. We propose to establish a minority participation program tailored to the unique requirements of each phase of participation.

CONSTRUCTION COMPLIANCE PLAN

Based on our experience, professional services will represent approximately 30% of the total costs associated with the proposed project. We believe a commitment toward minority and local participation within the Professional Services Team is important to the overall commitment to meaningful M/WBE participation on the Project.

Contracting for construction will represent approximately 70% of the total costs associated with the proposed development. Our ability to realize M/WBE and LBE goals is dependent on our ability to establish and implement an effective outreach program and to structure the assignments in a manner that permit subcontracting and joint-venture relationships with M/WBE and LBE enterprises.

Our contracting program is based on past programs that have been successfully implemented and includes:

- MBE Contracting Manual
- Monthly Progress Reports
- Maintenance of Records and Utilization Reports
- Local Market Assessment
- Technical Clearinghouse
- Project Awareness Sessions
- Certification Review and Assistance
- Subconsultant Identification Assistance
- Subcontractor Bidding and Award Assistance
- Contract Monitoring
- Business Assistance Program
- Mobilization Assistance Program
- Contract Close-Out

12.0 WORKFORCE UTILIZATION PLAN / TARGETED BUSINESS GOALS

The project workforce will represent a significant portion of the total project costs. The project workforce will be employed by the General Contractor and its Sub-Contractors. We will implement an EEO and technical assistance program to support efforts of project participants in achieving participation goals, monitoring performance and accessing trained labor in the local marketplace. The EEO program would include:

- Monthly Progress Reports
- Maintenance of Records and Utilization Reports
- Labor Market Assessment
- Workforce Clearinghouse
- Workforce Database
- Workforce Monitoring
- Job Placement Program
- Workforce Training Programs
- Workforce Retention
- Contract Compliance Monitoring

ONGOING OPERATIONS PLAN

The Project Team proposes to include a diverse workforce for the ongoing operations of the Project as a goal in the Operations Plan that will be developed for the Project.

COMMUNITY OUTREACH PLAN

The commitment to M/WBE and LBE participation in the Project requires an active and ongoing commitment to community outreach by the Development Team members. During the construction and throughout the ongoing operations of the Project, the Development Team will designate a member of the team to act as the “community liaison officer” charged with building community relationships and coordinating hiring activities. This community liaison officer will also document and report the status of M/WBE and LBE participation to the City and other public agencies as required.

The Project Team plans to implement a community outreach plan that includes several strategies to inform and involve the community in all phases of the Project. Our firm maintains strong working relationships with many of the region’s most active and progressive community based organizations. We will utilize our broad network of relationships with these organizations to streamline the involvement of minority owned businesses and individuals.

The Development Team shall also actively pursue notification, advertisements and promotion of opportunities at the Project through newspapers, community groups and other procurement and hiring outreach resources.

PROJECT CASE STUDIES

The combined resources found within the Development Team provide a tremendous foundation of experience for the development and implementation of our minority and women owned business participation program. The experience and success of our organizations in leading minority business initiatives is noteworthy. The following case studies provide a brief overview of several of our most recent accomplishments on similar projects.

12.0 WORKFORCE UTILIZATION PLAN / TARGETED BUSINESS GOALS

THE EDGEWATER - MADISON, WISCONSIN

As a part of The Edgewater redevelopment a series of community development initiatives set forth a working relationship between industry, government, labor, employees and local institutions and organizations to maximize the economic and community benefit realized by the redevelopment of The Edgewater.

The size and dynamic nature of The Edgewater has afforded the opportunity to become a catalyst to support these Community Development Initiatives. These programs have been developed by the Landmark X, LLC, a Wisconsin Limited Liability Corporation, in conjunction with the Building Trades and with input from representatives of the City of Madison. The programs include initiatives during both the construction and operations periods of the Project and include:

- Workforce Development Initiatives – Construction Period
- Workforce Development Initiatives – Operations Period
- Public Access and Utilization of Public Space
- Commitment to Sustainable Design and Operation Initiatives
- Commitment to the Promotion of the Historic District

NEW MEADOWLANDS STADIUM - EAST RUTHERFORD, NEW JERSEY

The New York Jets and New York Football Giants made a major Commitment in 2006 at the inception of their \$1.6 Billion joint stadium project to achieve very aggressive goals for MBE, WBE and SBE participation. Working closely with Garth Solutions, Skanska and Hammes Company, the teams achieved an approximately 30% participation rate on the Project, including workforce participation.

LAMBEAU FIELD - GREEN BAY, WISCONSIN

For the Lambeau Field project the Green Bay Packers made a strong commitment to business participation and workforce development involving minority, disadvantaged, women and locally owned businesses and individuals. This commitment was challenging given the relatively small number of Minority Business Enterprises (MBE), Women's Business Enterprises (WBE) and Disadvantaged Business Enterprises (DBE) in Northern Wisconsin.

At the onset of the project Hammes set in place the community outreach initiative for targeted business. Through this initiative, Hammes was able to exceed all targeted business goals. Similar results were achieved on workforce diversity goals. The successful results for the Project included:

MBE Goal:	15%	Actual:	16%
WBE Goal:	5%	Actual:	7%
Overall Goal:	20%	Actual:	23%

12.0 WORKFORCE UTILIZATION PLAN / TARGETED BUSINESS GOALS

FORD FIELD, DETROIT, MICHIGAN

During the development of Ford Field the Detroit Lions were very committed to the philosophy of business participation and workforce development involving minority, disadvantaged, women and locally owned businesses and individuals. The City of Detroit and Wayne County goal of 30% participation was adopted by the Lions as a priority for the project. In response, Hammes Company prepared a comprehensive Targeted Business Participation and Workforce Diversity Program which met or exceeded the program requirements by implementing the processes and procedures we are proposing for the Project. The successful results for the project included:

MBE Goal:	25%	Actual:	30%
WBE Goal:	5%	Actual:	6%
DBBE Goal	30%	Actual:	37%
WCBB Goal	30%	Actual	35%
Overall Goal:	30%	Actual:	36%

13.0 COMMUNITY ENGAGEMENT PLAN

COMMUNITY ENGAGEMENT OUTLINE

The community engagement process results in a community-wide strategic plan for enlisting support for the JDS project. For the plan to be carried out, it must be developed through broad input by persons who are committed to the city's interest in developing these two downtown blocks. A community's commitment to embracing and supporting this improvement plan will come from the sense of ownership that results from taking part in developing the project. We need to clearly define the project goals and identify stakeholders. Engagement ideas will need to be developed to educate and gain support from the stakeholders. An outline of goals, stakeholders and engagement ideas is as follows.

PROJECT GOALS:

- Bicycles
- Design and Density
- Economic Development
- Hotel
- Intermodal Connectivity
- Office, Retail, Restaurant, Entertainment
- Parking
- Residential

KEY STAKEHOLDERS:

State of Wisconsin

- State Historic Preservation Office

Dane County:

- City/County Homeless Issues Committee
- City County Liaison Committee (CCLC)
- Dane County Executive
- Environmental Council
- Henry Vilas Zoo Commission
- Lakes and Watershed Commission
- Library Board, Dane County
- Madison Cultural Arts District Board (Overture Foundation)
- Monona Terrace Convention and Community Center Board

Engagement Ideas:

- Dane County Executive Endorsement
- Present Merits of the Project to CCLC
- Promote Monona Terrace Events and Overture Center in Lobby

Mayor and Judge Doyle Square Committee

- Mayor and 9 Committee Members

Engagement Ideas:

- Tell the story of "James Edward Doyle"
- Enlist former Governor Jim Doyle to Support the Project (Son of Judge Doyle)
- Develop Transition Plan for City Offices
- Mobile Project Information Display

13.0 COMMUNITY ENGAGEMENT PLAN

City Council, Commissions, Committees, Neighborhood Associations:

- Capital Area Regional Planning Commission (CARPC)
- Capital Neighborhoods
- Civil Rights Department
- Commission on People with Disabilities (CPD)
- Common Council
- Community Development Authority (CDA) – Housing
- Historic Preservation Planner
- Landmarks Commission
- Madison’s Central Improvement District’s Board (BID)
- Madison Public Library
- Madison Arts Commission
- Pedestrian/Bicycle/Motor Vehicle Commission
- Plan Commission
- Police and Fire Commission
- Sustainable Madison Committee
- Transit and Parking Commission
- Urban Design Commission
- Urban League

Engagement Ideas:

- Mobile Project Information Display
- CARPC – Enlist Support of Commissioner
- Utilize Local Artists for Artwork
- Develop Construction Safety Plan
- Realistic MBE Participation Goal (Union South City Goal 5%, CGS Goal 15%, Achieved 17%)
- Affordable Parking Plan
- TIF White Paper (Explain TIF Use for Project)
- Madison Public Library Kiosk in Hotel Lobby

Intermodal Resources:

- Bicycle Enthusiasts
- Green Cab
- Long Range Transportation Planning Committee
- Madison Metro
- Trek Bicycle

Engagement Ideas:

- Bike Madison Newsletter – Promote
- Bombay Bicycle Club
- Clean Lakes Alliance “Loop the Lake” – Starting Point
- Community Car on Site
- Offer More Mobility Choices
- Transportation Demand Management Program
- Trek Bike Stations

13.0 COMMUNITY ENGAGEMENT PLAN

Downtown Community (Office, Retail, Restaurant, Entertainment)

- ADA Community
- Chamber of Commerce
- Commercial Property Owners
- Downtown Business Community
- Downtown Madison Inc. (DMI)
- Downtown Coordinating Committee (City of Madison)
- Farmers Market Off the Square
- Downtown Rotary
- Greater Madison Hotel and Lodging Association
- Immigrant & Minority Communities (Resonate with Shiva)
- Madison Club
- Madison College
- Madison's Central Improvement District's Board (BID)
- Madison Metropolitan School District
- Restaurants
- Special Event Organizers (Iron Man, Taste of Madison, etc.)
- Tempo
- UW-Madison Chancellor's Office
- UW-Madison Office of Corporate Relations
- Wisconsin Alumni Association

Engagement Ideas:

- Create Civic and Community Engagement Committee
- Demonstrate How Project Compliments Downtown Special Events
- DMI Endorse Project
- Madison Club Membership Petition – Support Project
- Present to Civic Organizations
- Map Wheelchair Accessibility Points on Both Blocks

Hotel/Convention Market:

- Greater Madison Convention and Visitors Bureau
- Hoteliers (Downtown & Other)
- Monona Terrace Convention and Community Center Board
- Wisconsin Restaurant Association
- Wisconsin Sports Development Corporation (WSDC)

Engagement Ideas:

- Development Display at Monona Terrace
- Office Hours at Monona Terrace for Community to Review Development Plans
- Package and Promote Day Trips to Area Attractions

Historic Preservation Community

- Madison Trust for Historic Preservation
- National Trust for Historic Preservation
- Taliesin Board

Engagement Ideas:

- Historic Madison Facebook Page
- Meet with Carol McChesney Johnson – President Taliesin
- Starting Point for Historic Walking Tour

13.0 COMMUNITY ENGAGEMENT PLAN

Residential

- Tenant Resource Center
- Affordable Housing Advocates

Engagement Ideas:

- Articles in Tenant Times E Newsletter for TRC
- Community Building Features
- Downtown Condo Associations

Building Trades

- Building and Construction Trades Council South Central Wisconsin (19 Union Locals, 17 Construction Crafts)

Engagement Ideas:

- Project Labor Agreement
- Attend Commission and Council Meetings in Support of the Project

Public/Media Relations

- In Business Magazine
- Isthmus
- Madison Magazine
- Trade Publications
- Wisconsin State Journal
- WI Alumni Association (WAA)

Engagement Ideas:

- Engage Media Editorial Boards by Presenting Project
- FAQ
- Facebook Page
- Feature Articles in WAA Promoting Project to UW Alumni
- Project Information/Fact Sheet
- Project Website
- Twitter

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: 9/30/2013
NAME AND TITLE OF PROPOSER: Robert P. Dunn, Principal In Charge	
TELEPHONE: 608-274-7447	COMPANY NAME: JDS Development, LLC
E-mail Address: dunnb@hammescosports.com	ADDRESS: 22 East Mifflin Street, Suite 800 Madison, Wisconsin 53703
Person to Be Contacted If There Are Questions about Your Proposal (if different from above)	
NAME: Bryson Heezen	TITLE: Development Associate
TELEPHONE: 608-274-7447	E-mail Address: heezenb@hammescosports.com