

MANDEL GROUP, INC.

JUDGE DOYLE SQUARE BLOCK 88 RFP RESPONSE

Development Opportunity in
Downtown Madison

PROPOSAL PREPARED FOR:

CITY OF MADISON
Purchasing Department
Room 407, City-County Building
210 Martin Luther King Jr. Blvd.
Madison, Wisconsin 53703-3346

MANDEL GROUP, INC.
330 E. Kilbourn Avenue, Suite 600, Milwaukee, Wisconsin
Phone: (414) 347-3600
www.mandelgroup.com

RFP ISSUED 25 February 2019

SUBMISSION DATE 15 April 2019

April 15, 2019

George E. Austin
Project Director
City of Madison
Department of Planning & Community & Economic Development
215 Martin Luther King Jr. Blvd.
Madison, WI 53703

RE: Judge Doyle Square Project – Block 88

Dear George:

Mandel Group, Inc. is excited to respond to your Request for Proposal for the Block 88 | Judge Doyle Square project. It is an unusual challenge, to fit a tailored solution to work started by another party. In many ways, however, it matches our track record and experience which centers on infill and urban redevelopment, inserting new development, rehabilitation, and public realm design components into the existing fabric of a city. We welcome the challenge and look forward to our discussion with you.

Mandel's business plan centers on the delivery of best-in-class developments that are specifically tailored to each site's unique characteristics. The Judge Doyle Square opportunity includes the challenge of delivering a best-fit solution with many of the determinants already embodied in the podium, which will be complete later this year. Understanding how to move near-seamlessly from the podium into the vertical development is incredibly important; any prolonged gap or deviation from an effective public/private partnership effort can do irreparable harm to the project, both in terms of short-term public perception as well as long-term financial success.

At the end of the day, for this development to succeed, the public perception of Judge Doyle Square needs to look beyond the challenges to date to the excitement of a finished solution that embraces the original vision for the JDS initiative. We have had experience with this type of situation before and acutely understand the need to manage public perception, develop confidence in the pathway forward and create a series of opportunities to celebrate the success of JDS – before, during and after execution of the final product.

We are prepared for the challenge and have invested considerable thought in how to best move JDS forward. Our approach includes assembling a team of the best talent we have worked with together with critical local expertise that provides familiarity with the existing conditions and a linkage to the history of JDS from inception to date. Expediting from this point forward will rely on this combined working familiarity with

the JDS project inception to date, guided by the exacting knowledge of professionals who have lived the project since its groundbreaking.

While recognizing the desire to move forward quickly, it is critical to acknowledge that we are working together to build an asset that will be a part of Madison's fabric for the next 100 years. We embrace the importance of creative sustainability that will distinguish our solution and create timeless qualities that stand the test of time. We are long-term owners of our real estate and appreciate the benefit of added upfront investment that preserves the integrity of the built solution many years past initial occupancy.

We would be honored to work with the City of Madison to complete this critical phase of the JDS redevelopment. We have assembled our best talent for this endeavor. We look forward to discussing the opportunity with you and, if selected to work with the City in a partnership relationship that yields the best solution for all parties.

Very Best Regards,



Robert B. Monnat
Chief Operating Officer | Principal in Charge

BLOCK 88 PROPOSAL



TABLE OF CONTENTS

RFP Form A - Signature Affidavit	1
RFP Form B - Proposer Profile Information	2
RFP Form C - Proposer References	3
CHAPTER 1 - Development Venture & Team	5
CHAPTER 2 - Experience of the Team	27
CHAPTER 3 - Preliminary Project Concepts	37
CHAPTER 4 - Financial Capability & Info	58

BLOCK 88 PROPOSAL



MANDEL GROUP, INC.

RFP FORMS

Form A: Signature Affidavit

Form B: Proposer Profile Information

Form C: Proposer References



RFQ FORM A

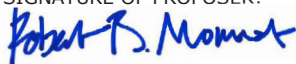
SIGNATURE AFFIDAVIT

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 Qualifications, 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: 04/15/19
NAME AND TITLE OF PROPOSER: Robert B. Monnat, Chief Operating Officer	COMPANY NAME: Mandel Group
TELEPHONE: 414-270-2741	ADDRESS: 330 East Kilbourn Ave, Suite 600 South Milwaukee, WI 53202
E-mail Address: rbmonnat@mandelgroup.com	
Person to Be Contacted If There Are Questions about Your Proposal (if different from above)	
NAME: Phil Aiello	TITLE: Senior Vice President Development
TELEPHONE: 414-270-2759	E-mail Address: paiello@mandelgroup.com

Proposer Profile

1. Proposing Company Name:

Mandel Group, Inc.

2. FEIN 39-1710347☒ Corporation ☐ Limited Liability Company ☐ General Partnership**3. Form of Organization:**☐ Sole Proprietor ☐ Unincorporated Association ☐ Other:_____.**4. Location of Main Office:**

ADDRESS	CITY	STATE	ZIP+4
330 East Kilbourn Ave, Suite 600 South	Milwaukee	WI	53202

5. Location of Office servicing City of Madison account:

ADDRESS	CITY	STATE	ZIP+4
330 East Kilbourn Ave, Suite 600 South	Milwaukee	WI	53202

6. Principal Information and Contact:

NAME Robert B. Monnat	TITLE: Partner Chief Operating Officer
TEL 414-270-2741	TOLL FREE TEL
CELL 414-416-4700	E-MAIL rbmonnat@mandelgroup.com

7. Contact Person about your proposal if different from above:

NAME Phil Aiello	TITLE: Senior Vice President Development
TEL 414-270-2759	TOLL FREE TEL
FAX	E-MAIL paiello@mandelgroup.com

PROPOSER REFERENCES

FOR PROPOSER:	Mandel Group, Inc.		
Provide company name, address, contact person and information and appropriate information on up to four (4) or more development projects with requirement similar to Judge Doyle Square. If proposer is proposing any arrangement involving a third party, the named references should also be involved in a similar arrangement.			
Organization Name	City of Milwaukee		
Project Name	The North End		
Address (include ZIP)	City Hall, Room 201 200 E. Wells St. Milwaukee, WI 53202		
Contact Person	Mayor Tom Barrett	Phone No:	414-286-2200
E-mail:	mayor@milwaukee.gov	FAX:	414-286-3191
Contract Period	2001-2018		
Services Provided	Public/Private Partnership to develop a \$175 Million mixed use development in downtown Milwaukee, Wisconsin.		
Organization Name	University of Wisconsin-Madison/Grasskamp Center for Real Estate		
Project Name			
Address (include ZIP)			
Contact Person	Dr. Mark Eppli, Director	Phone No:	414-813-1864
E-mail:	mark.eppli@wisc.edu	FAX:	
Contract Period			
Services Provided	Dr. Eppli has been a member of Mandel Group's advisory board since 2016.		
Organization Name	BMO Harris Bank		
Project Name			
Address (include ZIP)	770 N. Water St. Milwaukee, WI		
Contact Person	Joseph P. Gessner Managing Director Commercial Real Estate	Phone No:	414-765-8183
E-mail:	joe.gessner@bmo.com	FAX:	
Contract Period	Since 1990s		
Services Provided	Mr. Gessner is Mandel Group's senior relationship manager.		

PROPOSER REFERENCES

FOR PROPOSER:	Mandel Group, Inc.		
Provide company name, address, contact person and information and appropriate information on up to five (5) or more development projects with requirement similar to Judge Doyle Square. If proposer is proposing any arrangement involving a third party, the named references should also be involved in a similar arrangement.			
Organization Name	Wisconsin Housing and Economic Development Administration		
Project Name	Lighthouse 4041 The North End II The North End III		
Address (include ZIP)	Shorewood, WI Milwaukee, WI		
Contact Person	Ivan Gamboa, Board Chair	Phone No:	414-425-3200
E-mail:	i.gamboa@tcnb.com	FAX:	414-425-1328
Contract Period			
Services Provided	Mr. Gamboa is Board Chairperson for WHEDA, as well as Senior Vice President of		
	Tri-City National Bank. Mandel has transacted with both parties.		
Organization Name	City of West Allis		
Project Name	The West		
Address (include ZIP)	7525 W. Greenfield Ave West Allis, WI		
Contact Person	John F. Stibal, Director of Development	Phone No:	414-302-8460
E-mail:	jstibal@ci.west-allis.us	FAX:	
Contract Period	2016-Present		
Services Provided	Mr. Stibal has been the City of West Allis' primary representative for negotiating and		
	managing the City of West Allis' participation in the \$65MM "The West," a 3-phase		
	urban redevelopment of a prominent brownfield in the City of West Allis.		

MANDEL GROUP, INC.

CHAPTER 1: Development Venture & Team



MEET MANDEL GROUP

Mandel Group develops creative, unique live/work/learn/play experiences that respond to the aspirations of today's urban and suburban dwellers. Site-specific development responses are indicative of the care and attention we invest in each opportunity we pursue. Our focus is on the complete lifestyle experience, incorporating a mixed-use strategy that combines housing, retail and services, food and beverage, lodging and recreational components.

Our development vision aligns with the aspirations and goals of the City of Madison. By encouraging additive development, the end results that can be achieved match those goals we strive for in our day-to-day work efforts – a site specific intervention that makes the whole greater than the sum of its parts.

The Mandel Group experience spans nearly 28 years and \$1.5 billion of investment in real estate. The principals of Mandel Group have worked together for over 25 years, a testament to the continuity of the firm's goals and aspirations for its built product.



This 450-foot section of downtown Milwaukee's Riverwalk system at our DoMUS development adds to an additional 600 feet of Riverwalk Mandel Group has built to either side. The end product includes recreational and park amenities, public water access for water taxi and kayak use, native plant reintroduction and memorable public | private spaces for use by our residents.

MANDEL GROUP OVERVIEW

LEAD DEVELOPER

EXECUTIVE SUMMARY

Mandel Group, Inc. is a privately held commercial real estate development/investment company founded in 1991. Mandel has a consistent, proven track record of success in the real estate industry focusing on mixed-use and multifamily development. Utilizing effective market analysis while leveraging long-term relationships and capital markets expertise, Mandel adeptly executes all aspects of acquisition, development, leasing and management to achieve superior risk-adjusted returns for its capital partners and investors.

CURRENT PORTFOLIO

Mandel Group, Inc., currently owns and/or manages over 5.6 million square feet of property, representing over \$930 million in market value. Mandel is headquartered in Milwaukee and our staff of 160+ real estate associates manage active operations in five Midwestern states.

Mandel's capital resources combine debt, equity and a multitude of public/private subordinate debt and equity sources to execute its transactions. In addition to equity contributed by the company, Mandel raises outside investor equity to establish favorable leverage in each individual transaction.

Total development activity since inception represents \$1.5 billion in capitalization. Average annual development activity in recent post-recession years represents \$100 million of new project capitalization.

AWARDS + RECOGNITION

Mandel Group, Inc., and Mandel Property Services, Inc., its wholly owned subsidiary, have earned national recognition through the Urban Land Institute (ULI) and the National Association of Home Builders (NAHB) as well as regional and local industry recognition from the Apartment Owners and Managers Association (AOMA), National Apartment Association (NAA), Commercial Association of Realtors, Wisconsin (CARW) and a broad range of business publications. Numerous Mandel projects have been cited as "Best of Class" by the Milwaukee Business Journal, Biz-Times Milwaukee, The Daily Reporter ("Deal of the Year") and various civic and public sector recognition programs.



MANDEL GROUP OVERVIEW

LEAD DEVELOPER

AWARDS + RECOGNITION

Recognition of note for past work includes the prestigious ULI “Award for Excellence” for the nine-block East Pointe redevelopment, an integrated mixed-use revitalization of an abandoned freeway corridor in Milwaukee; and the ULI “Global Award for Excellence” for Mandel’s execution of significant segments of the Milwaukee RiverWalk. Highest honors bestowed by the NAHB are recognized in its annual “Pillars of the Industry” awards program. Mandel projects receiving past recognition include East Pointe for Best Mixed-Use Project and Lake Bluff at East Pointe for Best Mid- or High-Rise Apartment Community.

Recognition of accomplishments post-development are indicative of the firm’s focus on quality of service provided to our residents and business tenants. In just the past four years, MPSI has earned 39 operations-related awards from AOMA-Milwaukee, including: 14 property-of-the-year awards, nine awards recognizing excellence in the quality of marketing and curb appeal, and 16 awards citing individual achievement of Mandel management associates, including recognition for Top Leasing Consultant, Property Manager of the Year, and Best Regional Manager.

Mandel Group has been recognized as a “Top Workplace” by the Milwaukee Journal/Sentinel multiple times since the inception of this respected rating survey, with the most recent designation earned in 2019. Serving as a source of great pride within Mandel, Top Workplaces™ awards demonstrate how Mandel’s investment in its associates has served both the organization’s core value proposition and advanced the growth of our associates. This distinction and recognition creates a clear advantage in recruiting top talent to the company.

VERTICALLY INTEGRATED COMPANY

Mandel’s business platform operates as a fully integrated investment, development, property management and asset management organization. The Company provides acquisition, development, construction management, property management and asset management expertise. Vertical integration of key activities fulfills the goal of infusing core values centered on the customer experience in each real estate investment.

KEY PERSONNEL

WORKING TEAM | Team members who will interface directly with the City of Madison on a day to day basis to guide the project through capitalization, final design, development and construction.



Main Project Contact:

Main: (414) 347-3600

Direct: (414) 270-2759

Cell: (414) 305-2143

Email: paiello@mandelgroup.com

PHILLIP AIELLO, Senior Vice President - Development

Phil will be the lead Project Manager for the Block 88 project. As project manager Phil will have day-to-day control of the project and will serve as the principal contact person between Mandel Group, the City, our team members and financial partners, and other involved parties.

Phil joined Mandel Group in 2002 and has been project manager for the company's largest development undertakings during his time with the firm. Phil served as project manager for University Club Tower, the 38-story condominium development executed by the company in the mid-2000s. University Club Tower was the most complex vertical development ever undertaken by the firm, made more challenging by the latitude given to condominium buyers to customize their residential units. Phil subsequently managed the 700-bed Cambridge Commons student residence hall for the UW-Milwaukee Real Estate Foundation. This \$45 million development was the first LEED Gold student residence hall built to serve the University of Wisconsin system.

Phil's additional project experience includes shepherding The North End multi-phase development through myriad environmental remediations, a public/private partnership for development of site infrastructure, and private-market capitalization of five phases of development that comprise \$175+ million of reinvestment. The project spanned nearly 17 years of Phil's professional career.

Currently Phil is working on Portfolio, a to-be-built 176-unit high rise on Milwaukee's lake bluff overlooking Lake Michigan. Portfolio is geared to appeal primarily to the aging baby boom population that is driving one-half of apartment demand since 2006 (*Joint Center for Housing Studies, Harvard*). Total capitalization is \$100+ million. The contractor is CD Smith, our construction team leader for this Block 88 proposal.

Phil received a bachelor of science degree in mechanical engineering from the University of Wisconsin-Madison in 1994. After several "gap years" working for Exxon, Phil returned to the University of Wisconsin Grainger School of Business to obtain his masters of business administration in real estate in 2001 - finishing at the top of his class.

KEY PERSONNEL

WORKING TEAM | Team members who will interface directly with the City of Madison on a day to day basis to guide the project through capitalization, final design, development and construction.



Main Project Contact:

Main: (414) 347-3600

Direct: (414) 270-2613

Cell: (608) 843-9933

Email: atabrizi@mandelgroup.com

ANGIE TABRIZI, AIA | LEED AP BD + C Project Manager - Development

Angie joined Mandel Group in 2018 as a Development Project Manager. For the Block 88 development she will serve in a supporting role to Phil Aiello and provide critical skills in managing the team's design, engineering and construction partners.

Angie previously practiced as a licensed architect in the role of architectural project manager at two prominent firms in Milwaukee, managing complex institutional, commercial and educational projects. During her time in practice Angie developed an expertise coordinating AEC disciplines to enhance design quality while consistently adhering to budget and schedule. Her responsibilities included architectural programming and design, site planning, compliance with ordinances and codes, and construction administration. Her passion for integrating social, environmental, and economic sustainability principles in projects elevates her contributions to projects for which she is responsible.

Interested in expanding her skills beyond a traditional design practice, Angie received her MBA from the University of Wisconsin-Milwaukee, where she previously obtained a Bachelor of Science in Architectural Studies prior to entering practice and obtaining her professional license. She minored in Spanish and French and was recognized as an Honors Degree graduate. She is a licensed Architect in the State of Wisconsin and is a LEED AP accredited professional. She is a member of the American Institute of Architects and serves on the Women in Design: Milwaukee Board of Directors.



Project Contact:

Main: (414) 347-3600

Direct: (414) 270-2609

Email: aachenbach@mandelgroup.com

ANGIE ACHENBACH, CPA | Chief Financial Officer

Angie Achenbach joined Mandel Group in 2018 to lead its financial operations as CFO. She is responsible for structuring the Company's debt and equity for new developments and acquisitions, and oversees the Company's accounting, tax and information technology activities.

Prior to joining the Mandel Group, she was the Vice President of Accounting and Finance at Irgens Partners, a commercial and healthcare real estate investment firm, where she managed all accounting and finance administrative functions. In that role, she worked closely with the senior executive leadership team to directly advise on financial structuring and investment decisions. Prior to joining Irgens Partners in 2016, Angie was Partner at Baker Tilly and led Baker Tilly's Milwaukee office construction and real estate practice team. She was the client service partner for privately held real estate developers and construction contractors, and she was a coleader of the firm's national housing initiative.

Angie received a bachelor's degree in business administration in accounting from the University of Wisconsin-Whitewater.

KEY PERSONNEL

CORPORATE LEADERSHIP

Principal in Charge. In this capacity Bob will provide direct support to the project team and interface the project's needs and requirements with corporate resources.



ROBERT MONNAT, Chief Operating Officer

Bob rejoined Mandel Group in April, 1999 as a partner in the firm and serves as its Chief Operating Officer. He previously worked with Barry Mandel at Trammell Crow Residential from 1989-91, at which time he helped form Mandel Group in November 1991. From 1994-1999 he directed over \$100 million of large-scale business park development while with WISPARK Corporation, a subsidiary of Wisconsin Energy Corporation. As COO of Mandel Group, he is responsible for coordinating and overseeing the activities of Mandel Group's development and construction operations, and specializes in urban redevelopment, urban infill and waterfront developments. Earlier in his career, his development resume included over \$100 million of directed real estate developments – primarily urban redevelopment projects – throughout the US for a national developer.

Bob is a graduate of the University of Wisconsin – Milwaukee's School of Architecture & Urban Planning. He is active in the community and is an adjunct instructor in the UW-Milwaukee School of Architecture and Urban Planning and program leader for SARUP's graduate-level Real Estate Certificate Program. Bob is a member of the Multifamily Silver Council of the Urban Land Institute.

THE NORTH END | MILWAUKEE



KEY PERSONNEL

CORPORATE LEADERSHIP

Mandel Group principals responsible for the overall management of the company and targeted oversight of each endeavor undertaken by the team.



BARRY MANDEL, President + CEO

Barry Mandel has a JD degree from Georgetown University Law Center and a bachelor of arts in economics from the University of Wisconsin. After graduating from law school, he practiced tax, corporate and real estate law in Kansas City, Missouri. In January 1986, he joined Trammell Crow Residential ("TCR") as managing residential partner for Wisconsin. From 1988–1989, Barry also assumed responsibility for TCR's operations in Minneapolis. In November, 1991 Barry formed Mandel Group, Inc.

Barry has been recognized in periodicals and through awards programs for his development accomplishments and civic leadership in the revitalization of downtown Milwaukee. In 2012 Milwaukee Magazine compiled an extensive cover feature entitled "He Built This City." In 2014, he received the "Inspiration Entrepreneur Award" from BIZSTARTS Milwaukee, "Building Milwaukee Award" from Milwaukee/ NARI, and "Executive of the Year Award-Honorable Mention" from the Milwaukee Business Journal. In September 2018, Barry received the "Daniel Burnham Visionary Award" from the Milwaukee Riverwalk District. Barry is past Chair of the Multifamily Gold and Multifamily Green Councils of the Urban Land Institute (ULI), and is a past Member of the Multifamily Silver Council. He is a member of the National Association of Home Builders (NAHB) and the National Multi-Housing Council (NMHC).



DAVE PAVELA, Chief Investment Officer

Dave Pavela has been with the Mandel Group since 1994. He is a Partner and serves as the Company's Chief Investment Officer. Dave is responsible for managing and monitoring the Company's investments and related policies as well as identifying new debt and equity sources, while maintaining current lender and investor relationships. During Dave's 25-year tenure with the Company he served as its Chief Financial Officer prior to transitioning to Chief Investment Officer. Dave was named 2013 "CFO of the Year" by the Milwaukee Business Journal.

Prior to joining Mandel Group Dave was divisional senior officer of Mortgage Guaranty Insurance Corporation and a privately held, affiliated corporation that pioneered providing insurance-based credit enhancement products to the real estate industry. Combined, these companies executed credit enhancement transactions exceeding \$1 billion.

A CPA with an accounting degree from Chicago State University and a Master's Degree in Taxation from DePaul University, Dave began his career with the Chicago office of Coopers & Lybrand, where he specialized in real estate taxation.

KEY PERSONNEL

KEY CORPORATE ASSOCIATES



IAN MARTIN
Vice President
Development



JASON BABCOCK
Vice President
Acquisitions



DON LINDEMAN
President
Property Management



EMILY CIALDINI
Senior Associate
Development



STEVE PAULSON
Vice President
Maintenance Services



ELIZABETH ADLER
Associate
Development



JACOB G. JORDAN
Associate
Development

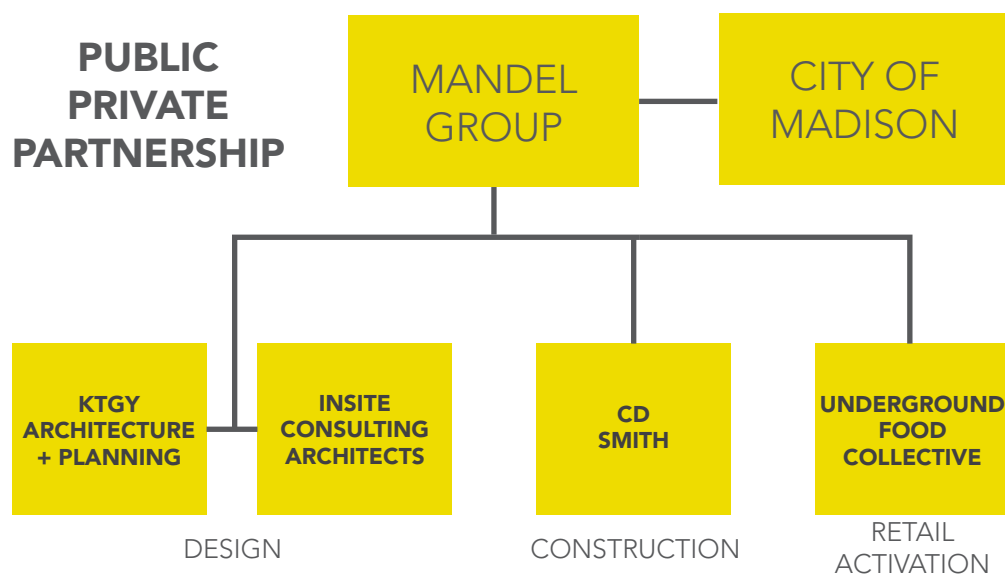


NATE GEBERT
Senior Project Manager
Construction



SCOTT LEEDOM, JD
Director of Risk Management
+ Investor Relations

TEAMWORK STRATEGY



We believe that our best work is attributable to the irreplaceable contributions of our valued team members. In an orchestral sense, the best development occurs as a result of the developer's successful coordination of team members who bring targeted expertise to a synchronized composition.

The RFP itself clearly outlines a team process in which the City is an integral member of the project team. Through the years Mandel Group has partnered with municipalities and others to achieve outcomes responsive to the goals of all parties. We are not only comfortable with the approach but also believe that, through collaboration, we will jointly drive a better end result.

We have curated a project-specific team of exceptional talent incorporating local as well as national practitioners who will drive us to a highest-and-best solution. The granular knowledge of our local partners will help our entire team expedite our efforts toward realizing this project.



TEAMWORK STRATEGY

ARCHITECTURE + ENGINEERING | LOCAL CONNECTIVITY

INSITE CONSULTING ARCHITECTS

InSite Consulting Architects (ICA), headquartered in Madison, Wisconsin is an architectural consulting firm that specializes in architectural design, master planning, historic preservation, expert witness for building enclosure failures, forensic analysis of moisture related building failures, building enclosure technologies, institutional facilities management, remedial design and construction/contract management. ICA has performed a wide variety of forensic services on thousands of structures around North America for clients with nearly every possible building type. ICA has also worked on a number of notable historical buildings throughout the Midwest and Southeast.

Most applicable to the submission, ICA is the Associate Architect for the execution of the podium construction on Block 88, and brings unique, acute knowledge of the built condition above which the proposed residential development will be constructed. ICA's expertise and guidance will be critical to the success of the project and will add a sharpened view of matching our ultimate solution to the podium construction.



TEAMWORK STRATEGY

ARCHITECTURE + ENGINEERING | LOCAL CONNECTIVITY



STEVE MAR-POHL AIA, NCARB | President

Stephen E. Mar-Pohl, AIA, NCARB is president of ICA and has been actively working in the architectural field since 1988. He is an award winning architectural designer, project manager, and building enclosure consultant. Mr. Mar-Pohl has enjoyed a diverse design career that has led to expertise in historic preservation with a technical focus.

Prominent projects include: the First Unitarian Meeting House, Madison (Frank Lloyd Wright); the Milwaukee War Memorial (Eliel Saarinen); Monona Terrace, Madison; Seth Peterson Cottage, Mirror Lake, WI; Grant County Courthouse, Lancaster, WI; Oriental Theater, Chicago; Madison Municipal Building, Madison; Mellon Institute, Carnegie Mellon University, Pittsburgh; Missouri Botanical Garden, St. Louis; the Milton House, Milton, WI and a number of 19th century Catholic Churches.



CHRIS A. ODDO, AIA | Principal

Chris A. Oddo, AIA is a principal of ICA and has been actively working in the architectural field since 1987. He has worked on all aspects of a wide range of project types from small renovations to a \$250 million healthcare campus expansion. He brings years of project management experience. He has guided large design teams through technically complex projects.

Chris has worked on a large variety of building types such as, residential mixed-use, primary and secondary schools, healthcare facilities, clinics, high tech clean rooms, pharmaceutical labs/R&D/production facilities and adaptive reuse of historic buildings.

TEAMWORK STRATEGY

ARCHITECTURE + ENGINEERING | LEAD DESIGNER

KTGY ARCHITECTURE + PLANNING

KTGY is distinguished in our industry as a developer-centric design practice that delivers best-in-class design solutions for signature projects. Their client list includes top-10 and top-25 builders and developers. The firm has a concentration of expertise in midrise and highrise urban housing. While operating from a network of offices across the country, the firm's Chicago office has specific team strengths that match well to the challenges of Judge Doyle Square.

Demetrios Stavrianos, Executive Director of Architecture in KTGY's Chicago office was the design architect (prior to KTGY) for Park Lafayette Towers, a twin 20-story tower property owned by Mandel and located in Milwaukee. Based on this familiarity with his work we have enjoyed our early dialogue on structuring a design solution for the vertical residential component that will be built above the Block 88 podium.

Of KTGY's project typologies we are truly impressed with their mixed-use commissions which feature residential as a primary driver, and are featuring two of them on the following pages to provide perspective on their talents. Both are multiple-building/multi-use accomplishments encompassing vital public spaces that contribute to the quality of the overall urban design solution.



TEAMWORK STRATEGY

ARCHITECTURE + ENGINEERING | PREVIOUS PROJECT EXPERIENCE

1150 WILSHIRE
LOS ANGELES, CA
PACTEN PARTNERS



1150 Wilshire is an eleven story, 109-unit condominium project with 6,800 square feet of restaurant and retail at the base. Located in downtown LA, this project fills in a gap in the urban fabric along the Wilshire corridor and opens up to panoramic views from the fifth level “back-yard” and 11th story pool deck. Integrating the parking into the design rather than creating a pronounced podium for the building to sit atop, allows the building design to feel more urban. The units that face the city require an additional layer of privacy, this is provided by the use of louvers that taper off toward the top of the building and the balconies are pulled in, creating secluded retreats for residents to enjoy the city views.



TEAMWORK STRATEGY

ARCHITECTURE + ENGINEERING | PREVIOUS PROJECT EXPERIENCE

THE ELLIS
CHARLOTTE, NC
LENNAR MULTIFAMILY COMMUNITIES

The Ellis is a mixed-use urban infill development with a strong, glassy retail base fronting an activated woonerf along Market Street. The high-rise portion stands out in distinct fashion yet complements to the City of Charlotte. The design expresses its particular function and character while connecting to the city with colors, accents and architecture.

The views to the west of the site feature the downtown skyline, while the views to the east overlook established neighborhoods. The mid-rise portion offers five-story IIIA wood frame construction over a two-level IA podium with retail below.

A pre-cast parking structure services the entire complex. Located next to the City-LYNX Blue Line, The Ellis is convenient to bus and light rail services, healthcare facilities, entertainment, education and small businesses.



TEAMWORK STRATEGY

ARCHITECTURE + ENGINEERING | LEAD DESIGNER



DEMETRIOS STAVRIANOS | Executive Director, Architecture

Demetrios Stavrianos Executive Director, Architecture in KTGy's Chicago office brings more than 32 years of experience to KTGy's growing multifamily residential and mixed-use portfolio of work. Mr. Stavrianos is an accomplished leader with architectural design capabilities and experience building collaborative teams as he served as lead designer and residential studio director in his previous role.

Known for his engaging leadership style he leads by motivating and fostering a collaborative atmosphere with team members and clients. His dedication to delivering top-tier design ensures the long term success of projects.



ERIN ETTENGER, AIA | Project Manager, Design

Erin Ettenger joined KTGy after graduating from Cal Poly San Luis Obispo. Ms. Ettenger started her career in the single-family studio and completed construction documents for Hercules Village & other various single family communities. From there, she moved to the low-density multifamily studio and helped design Artisan Walk, College Vista, Park Lane, Royal Court, and Avenue E.

During her time outside of KTGy Ms. Ettenger worked for Flewelling & Moody doing construction documents as well as a small firm where she gained experience managing smaller scale custom homes and remodels, including a pre-school, wine store and restaurant. Since returning to KTGy, Ms. Ettenger is now a Project Manager in the high-density mixed-use studio. She is experienced working across offices and contributing her design insight on a wide array of projects including Steven's Creek designed in KTGy Oakland, as well as multifamily projects with the Chicago office, including Madison Yards and a design competition for a project in Indianapolis.



CRAIG PRYDE AIA, LEED AIP | Principal

Craig Pryde brings over 30 years of experience to his role as Principal in KTGy's Chicago office. He has designed projects across a wide spectrum that include single family, multifamily residential, mixed use residential, retail commercial office and healthcare.

Mr. Pryde is an expert in the design of single and multifamily residential projects and is actively involved thru all phases of the project to ensure the Client's goals and objectives are delivered efficiently. He is experienced in low, mid and high rise construction and excels at coordination of design elements with sub-consultants.

Mr. Pryde is also an expert at leading projects thru the zoning entitlement process and organizing client project data and requirements for successful approvals. He works closely with his clients to make sure that the design has met the project goals and objectives. Mr. Pryde is a LEED AP BD+C professional and practices sustainable design in all KTGy projects.

TEAMWORK STRATEGY

CONSTRUCTION | GENERAL CONTRACTOR

C.D. SMITH

CD Smith is one of those few general contractors who, very simply, excel at the delivery of constructed improvements. We regard them as a best-in-class construction partner that brings preconstruction ingenuity, a deep bench of self-directed labor and a strong set of project management skills to execute the Block 88 midrise tower. Importantly, we have worked with CD Smith on a variety of projects and give them the highest recommendation for involvement in our most challenging assignments going forward.

CD Smith was founded in 1936 in Fond du Lac, Wisconsin and has active project management offices in both Madison and Milwaukee. The closely-held firm is built on

attracting and retaining professionals of the highest integrity, who deliver on behalf of repeat clientele and establish long-term relationships as the basis of their built volume. The quality of their work product and commitment to meeting schedule and budgetary parameters is unmatched in the marketplace.

As the economic recovery has provided more opportunities for reinvestment in high-density urban housing, CDS has grown its portfolio of residential projects. Since 2016 CDS has constructed nearly \$190 million of vertical construction in projects that are predominantly high-density residential structures. Notable project examples are included to illustrate their capacity and expertise.



C.D. SMITH

CONSTRUCTION

TEAMWORK STRATEGY

CONSTRUCTION | PREVIOUS PROJECT EXPERIENCE



7SEVENTY7

777 N. Van Buren St.
Milwaukee, WI

Arguably the most high-end residential apartments currently offered in Milwaukee, 7Seventy7 offers premier residences while also addressing the company's workforce parking needs. The tower features a 9th floor rooftop swimming pool, an outdoor fire pit, an indoor golf simulator, large fitness center and an amenities room available for resident use on the 34th floor.

The units offer gracious apartment homes in a setting that "feels like a high end hotel." There are floor-to-ceiling glass windows which required special attention to detail during construction.

CD Smith self-performed major trades and flawlessly executed the construction in a timely and efficient manner. The building opened in 2018.



TEAMWORK STRATEGY

CONSTRUCTION | PREVIOUS PROJECT EXPERIENCE

C.D. Smith provided construction services for the BreakWater Condominiums located in Milwaukee's Lower East Side.

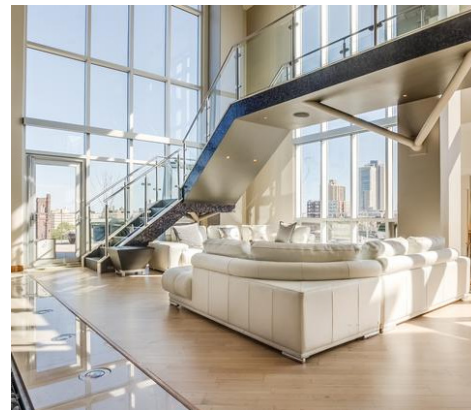
BREAKWATER CONDOMINIUM

1313 N. Franklin Street
Milwaukee, WI

The BreakWater project consists of 101 spacious high quality condominiums in a 20-story tower over three levels of enclosed heated parking.

Special features include a two story lobby entrance designed to have the feel of a museum in Rome – with stone columns, stylish lighting, and decorative marble floors. An elegant clubhouse with a catering bar and back bar are available for resident use. The overall goal is to create a warm functional environment that has character and a timeless quality.

The BreakWater is constructed with unmatched acoustic separation. Each unit is essentially built like a concrete vault, utilizing 12" thick Spancrete precast floor systems combined with a reinforced concrete core. CDS self performed concrete and precast erection.



TEAMWORK STRATEGY

CONSTRUCTION | GENERAL CONTRACTOR

CD SMITH CONSTRUCTION



KEVIN HICKMAN, Senior Vice President

As Principal-in-Charge, Kevin will be the guarantor of 100% total satisfaction. He will provide overall project supervision from preconstruction through owner occupancy. He will be available to CUNA Mutual Group, The Rodell Group and Eppstein Uhen Architects at any time throughout the project as an executive point of contact for C.D. Smith.

Kevin has his Bachelor of Business Administration Marketing from the University of Wisconsin-Whitewater and received his Executive Leadership Certificate from the Center for Professional and Leadership Development from the University of Wisconsin-Madison.

Additionally, he is a Certified Professional Services Marketer and the Former President of the Wisconsin School Public Relations Association.



CORY HENSCHEL, Director of Preconstruction

Cory will serve as the main point of contact throughout the preconstruction phase of the project. His responsibilities include the administration of contracts and the direction and collaboration with the planners, architects, engineers and contractors. Cory will lead the preconstruction process, working with the Project Executive, Senior Project Manager and Site Manager on preconstruction budgets, schedules, phasing and procurement.

Cory has a Bachelor of Science in Construction Management from the University of Wisconsin-Stout. He has successfully completed the following training courses: Dale Carnegie: Skills for Success, WI State Fire Certification, OSHA 30-Hour Training, LEED AP. In addition, Cory is a Faith Alliance Church Deacon.



MIKE KROLCZYK, Executive Vice President

A fourth generation Smith family member, Michael brings over 24 years of construction experience, 22 with C.D. Smith to his role as Executive Vice President. Michael's hands on leadership and involvement is instrumental to the success of the company. His responsibilities include the oversight of construction management and design-build projects from the preconstruction planning stages through owner occupancy. Michael also oversees and manages C.D. Smith's finance and development projects.

Mike received his Bachelor of Science in Business Administration from the University of Wisconsin-Stevens Point. Additionally, he is a Board Member of both Envision Greater Fond du Lac and Lutheran Home & Health Services.

TEAMWORK STRATEGY

FOOD + BEVERAGE | CULINARY ENTREPRENEUR

UNDERGROUND FOOD COLLECTIVE



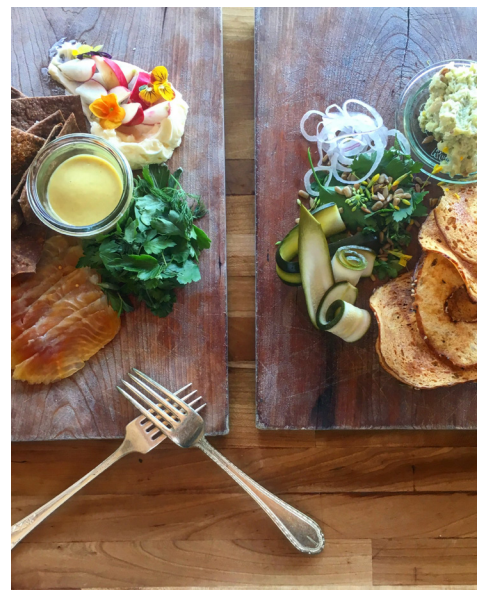
When you think of the most creative, exciting food + beverage platform in the Madison market, who comes to mind?

For us it is **Jonny Hunter** and the Underground Food Collective. UFC's brand, product, and ability to scale have "collided" with the hottest growth sectors of the food and beverage industry.



How could you begin to consider a best-in-class solution for this project without infusing UFC's **energy, personality, and creativity** to the mix? Look to our proposal in Chapter 3 to get inside his head.

Underground Food Collective



TEAMWORK STRATEGY

FOOD + BEVERAGE | CULINARY ENTREPRENEUR

UNDERGROUND FOOD COLLECTIVE



JONNY HUNTER

Madison's Jonny Hunter founded Underground Food Collective in 2007 after a few years running a makeshift vegetarian café out of a church basement while studying at UW Madison. Jonny oversees culinary direction for Underground Food Collective, a multifaceted operation encompassing Forequarter, the Heights, Underground Butcher, Underground Catering and Underground Meats.

He was named Madison magazine 'Chef of the Year' (2015) and is a recipient of the University of Wisconsin's 'Forward Under Forty.' With a master's degree in public policy, Jonny helped found the Chef Leadership Committee for Madison Area Chef's Network (MACN) and co-founded FoodWorks, a career-training program that provides un- and under-employed students with free formal culinary training. Along with his work at UFC he has devoted a substantial amount of time raising money for local nonprofits, co-creating events Bike the Barns, Yum Yum Fest and Makeshift Festival, raising over \$500k for these local organizations. Jonny was nominated for 'Best Chef Midwest' by the James Beard Foundation in 2014-2018 and has been featured in publications such as Bon Appetit, Eater National, Imbibe and Saveur. While not in the kitchen, Jonny can be found unicycling around Madison with his two kids.



MANDEL GROUP, INC.

CHAPTER 2:

Experience of the Team to Successfully Undertake the Project



TEAM EXPERIENCE

SUMMARY INFORMATION | MANDEL GROUP, INC.

CAPABILITY + EXPERIENCE

Mandel Group has assembled a team of professionals uniquely qualified to continue with the construction on Block 88 and deliver for the City of Madison a finished product of the highest quality. We have paid particular attention to each component of the completed building, including the ancillary spaces in the podium, to extract the most value and create a development that will activate this quadrant of the Square.

DISCLOSURES

Mandel Group certifies that it is not a party to any alleged contract failure, contract breach, tax delinquency, or civil/criminal litigation or investigation pending within the last five years. Representations provided by our key team members confirm the same certifications on behalf of their business interests as reflected in the above statement. Mandel Group has never placed an asset or investment in receivership, conservatorship or declared bankruptcy of any asset or affiliate, and has paid each lender or investor 100% of their loan or investment on each transaction the company has undertaken since its inception in 1991.

LIGHTHOUSE 4041 | SHOREWOOD, WI



CHISWICK | FOX POINT, WI



TEAM EXPERIENCE

SUMMARY INFORMATION | MANDEL GROUP, INC.

COMPLEX MIXED-USE URBAN REDEVELOPMENT

Successful completion of Block 88 will depend on the following:

- The successful developer should demonstrate the ability to adapt to an existing condition and extract the highest possible value from improvements already completed/conceived by others.
- The successful development team should demonstrate a history of past work experience on successful projects of similar size and complexity.
- Intimate familiarity with the project through the completed podium will jump-start the effort to design and construct vertical improvements above the podium. An effective development team will include professionals with acute working knowledge of the podium design/construct effort.
- A key aspect of the long-term success of Block 88 is to dispel any negative publicity/public opinion associated with the original developer agreement/partnership and establish positive messaging and identity for the project going forward..

Our development team is organized with the above challenges in mind. We have direct, relevant experience dealing with situations similar to Block 88, where a project's presentation to the general public needs to be adjusted mid-course before reaching a final buildout. It is critical that this challenge not be underestimated or discarded; the ultimate success of the built asset is highly reliant on developing public perception as relates to this location and this asset being THE preferred place to live in downtown Madison.

Key players on our team have prior experience working with one another on complex assignments. In particular, Mandel Group and CD Smith Construction have collaborated on projects within the Mandel Group portfolio and on civic projects involving Mandel Group executives who are contributing pro-bono services on behalf of a non-profit or governmental entity. In the case of the former, CD Smith executed Mandel's DoMUS development, a \$32 million investment, that was constructed on a difficult riverfront site in Milwaukee's Historic Third Ward. An example of collaboration on a non-Mandel development is the current Milwaukee Symphony Orchestra hall, a \$90 million, highly complex combination of historic restoration and new construction in downtown Milwaukee.



Judge Doyle - Block 88 Development

THE NORTH END | MILWAUKEE



TEAM EXPERIENCE

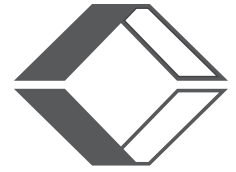
SUMMARY INFORMATION | MANDEL GROUP, INC.

PUBLIC/PRIVATE PARTNERSHIP EXPERTISE

Many of Mandel Group's developments have been undertaken in the context of a public/private partnership. The demands of urban redevelopment and reinvestment oftentimes will result in appropriate levels of public investment that exceed the capacity and yield requirements of private capital markets. Creative structuring of a public/private capital stack that fairly respects the upside opportunity for all participants is a key characteristic of our P/P partnerships. Notable public/private partnerships include The North End; the 9-block East Pointe corridor development in Milwaukee; and currently the 3-phase development in West Allis that is being executed in partnership with the City of West Allis.

THE WEST | WEST ALLIS





PROJECT EXPERIENCE: UNIVERSITY CLUB TOWER

PROSPECT AVENUE | MILWAUKEE, WI

UNIVERSITY CLUB
825 N Prospect Ave
Milwaukee, WI 53202



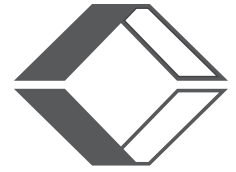
University Club Tower (UCT) is a 38-story, 53-unit, \$110 million condominium developed by Mandel Group in downtown Milwaukee. UCT opened for residents in March, 2008. A singular development that provides the largest collection of \$1+ million residences in Wisconsin, UCT appeals to sophisticated residents many of whom were drawn back to living in the City of Milwaukee to take advantage of this unique residential experience.

The shape of the building and its positioning on the development site directly responds to the desire of residents to have a direct line of sight to the Milwaukee Art Museum, which was designed by Santiago Calatrava. The final design was conceived by Peter Ellis, a senior partner with Skidmore Owings & Merrill and a renowned designer of projects worldwide. Building amenities include a 17,000 square foot private green roof garden atop the project's parking pavilion; an 8,000 square foot health club with private trainers, state-of-the-art equipment, and ozone-treated stainless steel lap pool; a

wine tasting room adjacent to climate-controlled private wine cellars; and luxurious community and media rooms for larger group entertainment.

University Club Tower stretched the market beyond any development that the City of Milwaukee has seen. Its aesthetic addition to the skyline, quality of construction and overall investment are unparalleled in any comparably sized market in the Midwest. The project was virtually sold out prior to completion, with only two units remaining unsold at the time of substantial completion.

Unique to this development, Mandel allowed every prospective resident to extensively customize their home. Mandel's team of six design and construction associates managed the customization process, working with residents, their architects and interior designers, and a wide array of contractors, subcontractors, and material/fixture suppliers from around the world. Average per-unit customization costs alone neared \$1 million per residence.



PROJECT EXPERIENCE: PARK LAFAYETTE TOWERS

PROSPECT AVENUE | MILWAUKEE, WI

PARK LAFAYETTE
1918 E Lafayette Place
Milwaukee, WI 53202

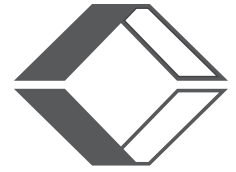


Mandel owns and operates a twin 20-story, 280-unit high rise perched on the bluffs of Lake Michigan in Milwaukee's Lower Eastside neighborhood. Originally developed for sale as a condominium, Park Lafayette was derailed during the Great Recession and corresponding collapse of the condominium market. Mandel Group was selected to be the receiver of the asset, and worked with the lender to complete construction and convert the building to a Class A rental property. Of five similar condominium projects financed through the same fund, our lender/partner continuously reported that Park Lafayette out-performed all other assets, even those in pricier East Coast markets.

After managing the property for several years Mandel Group formed an investment partnership and acquired the asset in late 2016. The luxury apartment community

is geared specifically toward young professionals and empty-nesters seeking a high-rise living experience in a highly walkable neighborhood setting. The property is equidistant to Milwaukee's lakefront recreational amenities, a neighborhood shopping district anchored by Whole Foods and Ascension Hospital's main Milwaukee hospital, and is a short ride to Milwaukee's central business district.

Of note, Park Lafayette Towers was designed by Demetrios Stavrianos prior to his joining KTG Architecture. Demetrios is the lead designer for our team's proposal for Block 88. This connection has provided a linkage of experiences on a high-rise project that informs our dialogue for options and approaches to the development of Block 88.



PROJECT EXPERIENCE: POINT ON THE RIVER

SEEBOTH STREET | MILWAUKEE, WI

**POINT ON THE RIVER
CONDOMINIUMS**

106 W Seboth St.
Milwaukee, WI 53204



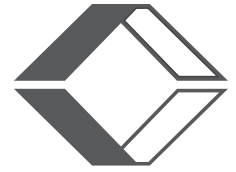
Mandel Group has demonstrated direct, relative experience in stepping into a complex large-scale project mid-stream and bringing it to a successful conclusion. In 2008 we were engaged to “fix” a failed 12-story residential condominium development known at the time as “First Place”. The client was a consortium of banks that had originated a \$48 million construction loan package; the lead bank was Anchor Bank of Madison.

At the time of our engagement the construction loan had been completely expended, yet the building construction was only 40% complete. Of the project’s 152 condominiums only 3 had closed. There were instances of broken and frozen pipes and other damage already occurring within the building. It was critical to immediately grasp the challenge, engage the right team of professionals and devise a business plan that would return to the lenders the highest possible percentage of invested capital. All of this was occurring as the financial markets and, in particular the condominium

market, was still trying to find “a bottom”.

Mandel’s team was comprised of Garrison Partners of Chicago as our marketing and sales partner; Smocke & Associates for construction management services; and Johnsen Schmalig Architects of Milwaukee for redesign and reconfiguration of selected units and floors of the building.

Mandel coordinated an unyielding campaign of positive news about the property even as the entire condo market was in free-fall. The project went through a complete re-branding effort, emerging onto the market as “Point on the River”. Frequent marketing events, aggressive marketing messaging and relentless expediting of construction completion matters provided a backdrop for renewed consumer confidence. Despite seemingly insurmountable headwinds, the Mandel team successfully completed the development, sold out 100% of the units and, remarkably, returned 85 cents on the dollar to the lender syndicate.



PROJECT EXPERIENCE: A NEIGHBORHOOD BY DESIGN

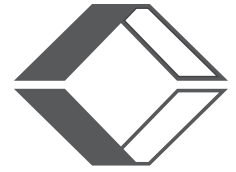
THE NORTH END | MILWAUKEE, WI



What was once the shuttered, 29-building complex of the bankrupt US Leather Corporation has been transformed by Mandel Group into the well-known “North End” neighborhood, located on the Milwaukee River just north of Milwaukee’s central business district. A series of deliberate actions combined to create a “neighborhood by design”, which today is populated by 650 residences and over 1,000 residents. The neighborhood design is anchored by a meticulously detailed public infrastructure, including over 1,300 linear feet of Riverwalk and a highly activated public square known as “Denim Park.” Residences enjoy a variety of goods and services from street-level retailers, including our “Best New Restau-

rant” known as Birch + Butcher. The retail experience is anchored by a 30,000 square foot Fresh Thyme Farmers Market, its first Wisconsin store.

Mandel Group purchased the property out of bankruptcy in October, 2001, just weeks after 9/11 when financial and real estate markets were reeling. At the time the US Leather property was Milwaukee’s largest and most visible downtown brownfield. A public/private partnership with the City of Milwaukee led to a \$10+ million reinvestment in the land, remediating contamination, relocating and rebuilding utilities, installing public streets and building the Riverwalk. **(Continued on Following Page)**



PROJECT EXPERIENCE: A NEIGHBORHOOD BY DESIGN

THE NORTH END | MILWAUKEE, WI

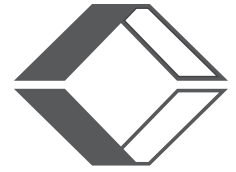


Remediation work was assisted with a \$900,000 brown-field grant awarded by the State of Wisconsin.

Development efforts navigated the rough seas that followed the recession of 2001. Initially designed as a condominium development, The North End was converted to apartments when the condominium market collapsed in the midst of the subprime mortgage meltdown. Creative financing utilizing tax increment financing, New Markets Tax Credits, and tax-exempt bond financing capitalized transactions that were sequentially executed even during the Great Recession. The final phase was completed in 2018, at which time the cumulative

investment was tallied at over \$175 million (non-inflation adjusted).

Mandel Group introduced a number of unique amenities as each phase was executed, so that resident interaction would create a true sense of neighborhood in the midst of this once-dormant and abandoned part of town. An assortment of amenities is offered for the residents such as a pool overlooking the River, mini-bowling lanes, fitness centers, spectator sports lounges, clubrooms, coffee cafes and rooftop terraces, which serve as gathering areas for our residents and provide "Instagram moments" that frequently appear in social media.



PROJECT EXPERIENCE: ON THE BOARDS

PORTFOLIO | MILWAUKEE, WI

PORTFOLIO
1350 N Prospect Ave
Milwaukee, WI 53202



Mandel is in pre-development for a high-rise apartment building overlooking Lake Michigan, at the eastern terminus of a nine-block development district known as "East Pointe." Mandel Group acquired the development rights to the entire 9-block area in 1991 when the company formed after an amicable split from national developer Trammell Crow Residential. The remaining 8 blocks of the former freeway corridor have been developed, leaving the Portfolio site for a highly amenitized landmark addition to Milwaukee's downtown skyline.

Portfolio is designed for 176 units, a mix of one-, two- and three-bedroom units, heavily weighted with larger floorplans that appeal to aging baby

boomers and empty nesters desirous of being closer to the cultural and entertainment offerings of downtown Milwaukee. The design includes an expansive amenity floor and adjoining outdoor deck incorporating a lap pool, dog run, indoor golf simulator and state of the art fitness center.

The site was recently advantaged due to the opening of Milwaukee's streetcar system, known as "the Hop", which has its northerly terminus station located directly across the street. Mandel is currently assembling debt and equity financing for this \$100+ million development, including the potential for tax increment financing that is proposed to be linked to providing support for affordable housing projects.

MANDEL GROUP, INC.

CHAPTER 3: Preliminary Project Concept



PROJECT CONCEPT

ARCHITECTURE + DESIGN | PERSPECTIVE



VIEW LOOKING EAST FROM
E. DOTY ST. + MARTIN LUTHER KING JR BLVD

PROJECT CONCEPT

ARCHITECTURE + DESIGN | PERSPECTIVE



VIEW OF THE SOUTH PINCKNEY ST. ELEVATION

PROJECT CONCEPT

ARCHITECTURE + DESIGN | PROPOSAL

DESIGN APPROACH

The basis of design going forward takes its direction from key project design cues incorporated into the existing podium construction. The podium establishes:

- the location of the primary pedestrian entrance to the residential tower
- the relationship of the residential parking to the residential floors and lobby
- the street-fronting retail areas that can serve to activate South Pinckney Street
- the vertical circulation and service cores that will support upper floor occupancies
- the structural support system that will influence the form and shape of improvements constructed above the podium

While we anticipate modest adjustments to the storefront condition at the retail and residential vestibule, we have otherwise respected the built condition for all material aspects of the podium. We feel that we can successfully marry the proposed vertical construction to the podium without any loss of value to the in-place investment.

We have conceived of a building that is outwardly sustainable in its statement on the skyline. It retains aesthetic elements that

allow it to reference the suggested hotel building form across South Pickney Street without mimicking it. The original building curvature is referenced primarily through the use of a curved, overhanging roofline that supports an enlarged solar array. Rather than hiding the solar panels on a concealed roof, we want to celebrate the use of solar as a sustainable building characteristic. This has been done with remarkable results in other notable cities.

Similarly, we want to express the use of active green roofs so that they're apparent from the street. To accomplish this, we have modified the roofscape by inserting some light-construction townhouses with terraces that line both Wilson and Doty Streets. The activation of these roof edges will provide a clear indication of what else exists in areas of the roof not otherwise visible from the street level.

The variation in building massing allows for a transitioning between materiality and percentages of glazing. Balconies shown can be realized as a combination of usable balcony area together with extended steel detailing to establish the longer, linear linework shown in the conceptual renderings. We have done this successfully in the past, particularly on our Marine Terminal and DoMUS developments along the Milwaukee River.



JUDGE DOYLE SQUARE | BLOCK 88



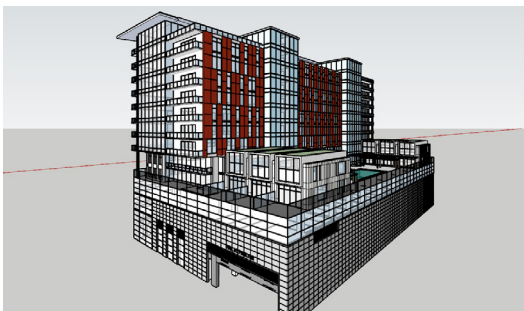
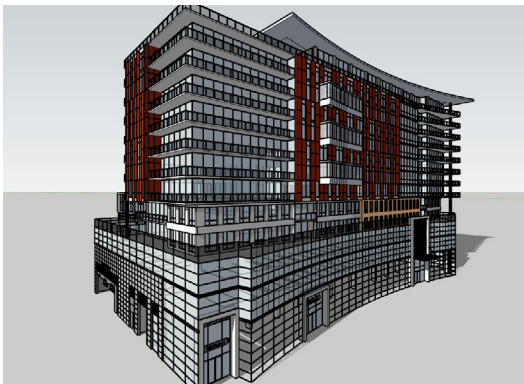
PROJECT CONCEPT

ARCHITECTURE + DESIGN | PROPOSAL

DESIGN APPROACH

Building materiality includes window wall glazing and metal panel systems executed in various finishes (matte, semi-matte) and colorations (silver, bronze, etc.). It is critical to retain high-quality exterior skin materials throughout, and support four-sided architecture such that there is not a qualitative compromise on the elevations facing away from public streets.

We have shown two “stretch” amenities that we are desirous of adding, dependent on structural loading capacity and compliance with Capitol district height limits. A resident rooftop amenity is shown in the renderings. This has been the #1 “ask” of our residents in urban settings for the last few years. We have also shown a pool at the green roof



terrace. This is a highly popular amenity despite the shorter use period in Wisconsin. The pool deck will benefit from its southern exposure and the wind protection provided by the flanking townhouses. We will continue to evaluate the ability to support the additional investment for these two assets, provided they are zoning-compliant and feasible within a modest adjustment to the podium's structural system.

The two-story terrace townhouses are intended to better scale the green roof, add a level of environmental protection for green roof resident events and create a layer of complexity and interest to the massing on the block. The townhouses are conceived as highly architectonic design statements, likely wrapped in a metal panel product and otherwise complimenting the materiality of the main tower element. Without this infill construction we feel that the opportunity has been lost to characterize the green roof as an activated resident amenity area, rather than simply a cap for the parking ramp. The proposed plan gives the green roof purpose and meaning.

At the street level we would like to slightly project the residential lobby condition as a “glass box” in order to signify its importance to the overall building. The adjoining retail space and the suggested retail entrance condition will be evaluated at the time we finalize our food-oriented tenancy. It is conceivable that there may be more than one entrance to this space, and/or that sections of the envelope may be replaced with movable glass systems. We are aware of the gradient of the sidewalk relative to the slab/floor elevation within the retail space and will take that into consideration as we advance our thinking.

PROJECT CONCEPT

ARCHITECTURE + DESIGN | PROPOSAL

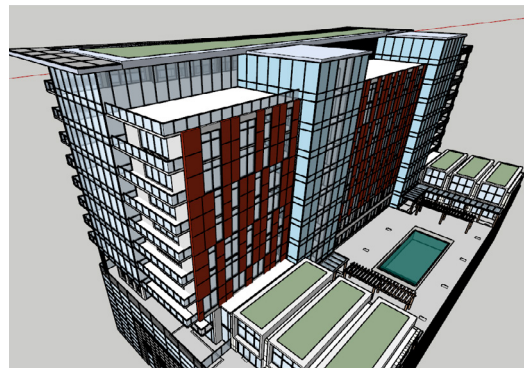
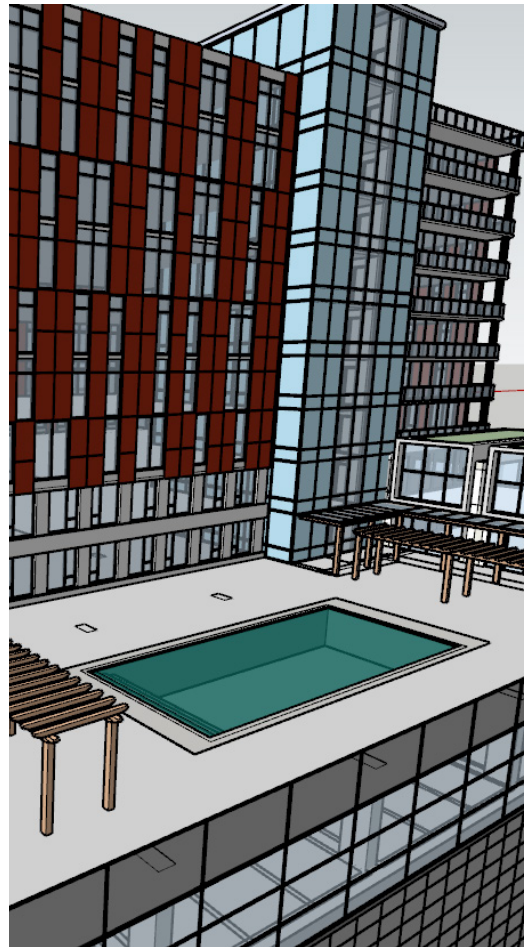
DESIGN ELEMENT VARIABLES

Building designs are not perfected within a several-week RFP process, rather a host of ideas are generated that require further refinement as dialogue continues. There are several conditions shown in the enclosed renderings that we fully expect to further refine if selected by the City of Madison as their partner. **Refinements are also expected as a result of City Staff and UDC review; as a result of zoning and code conformance; and to conform to the final public/private partnership structure.**

We expect the following aspects of the presented design to be scrutinized throughout the process while bringing this project to fruition:

Rooftop Amenity: We will need to confirm that the amenity space shown as a partial top floor to the building is permitted within existing zoning limits. The size and configuration of this amenity (if permitted) will be refined as we verify structural, vertical circulation, mechanical plant and other conditions of the podium construction.

Swimming Pool: We would really like to incorporate a “water element” on the greenroof. It is a distinguishing differentiator as compared to other downtown rental properties. We will need to consider the pool’s impact on the podium construction. If a pool is not possible we have several ideas for other water features that could enhance the greenroof experience without the full impact of a lap pool.



PROJECT CONCEPT

ARCHITECTURE + DESIGN | PROPOSAL

DESIGN ELEMENT VARIABLES

Balcony Detailing: The renderings illustrate substantial balcony lengths at our two- and three-bedroom units. The horizontality of these balcony elements is intended to provide a “layering” of the façade to introduce added complexity. Conversely, we do not want to “append” small balconies onto the building form, which produces an unsatisfactory final aesthetic. We have devised trellis-like lace-works of structural steel on recent projects (Marine Terminal Lofts and DoMUS) that create a cost-feasible way to meet the aesthetic goals while providing appropriate amounts of outdoor living space. We expect to dig deeper into these conditions on the Block 88 concept.

Projecting Bays: The Pinckney Street rendering illustrates three curved, primarily glass projections that upgrade alternate-floor units with a unique condition. The architect intends that these additions would broadcast a segmented portion of the original curvature from the podium. We have not shown that condition on our typical floorplans and have not counted the additional rentable square footage in our financial analysis. We intend to further review these elements with our design team.



Protect Quality of Building Skin: Given the complexity of the final design concept we are working with CD Smith and KTGy to analyze the “skin ratios” for glazing, metal panel, and other finish materials. The end result will be a balanced architectural expression that matches the aesthetic of the renderings. Importantly, a high-quality architectural expression will be achieved as “four-sided architecture”, utilizing the same materials for all elevations of the building. As one example of this refinement, the two elevator cores that one could currently interpret as curtainwall will likely be executed in a combination of glazing and metal panel. Each fenestration condition of the building will be assessed as detailing is undertaken, so that we can provide a project commensurate with our standards yet respectful of feasibility parameters.



PROJECT CONCEPT

ARCHITECTURE + DESIGN | AERIAL

GOOGLE MAPS IMAGERY

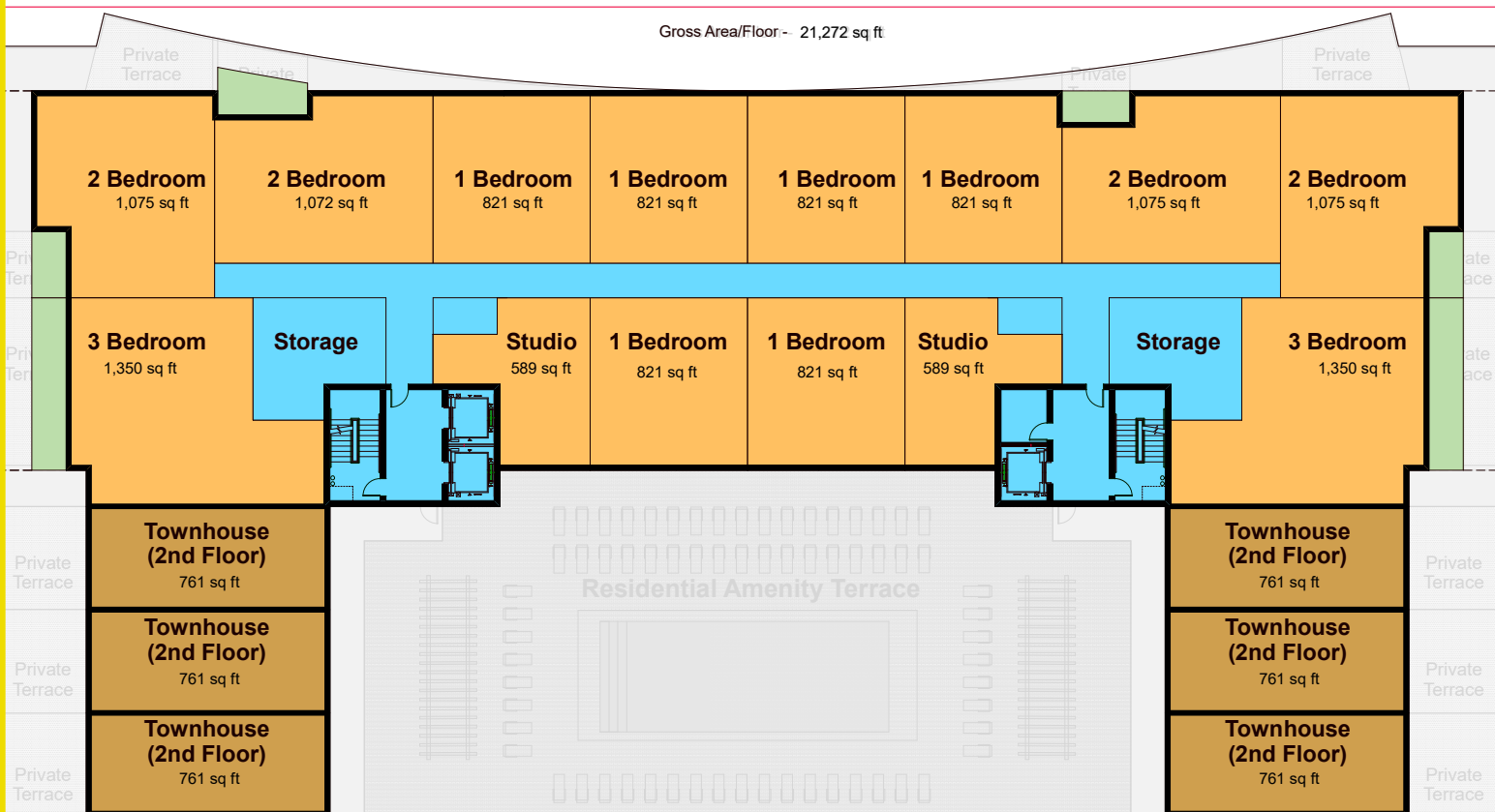


ARCHITECTURE + DESIGN | **FLOOR 1**

Judge Doyle - Block 88 Development

PROJECT CONCEPT

ARCHITECTURE + DESIGN | FLOOR 2

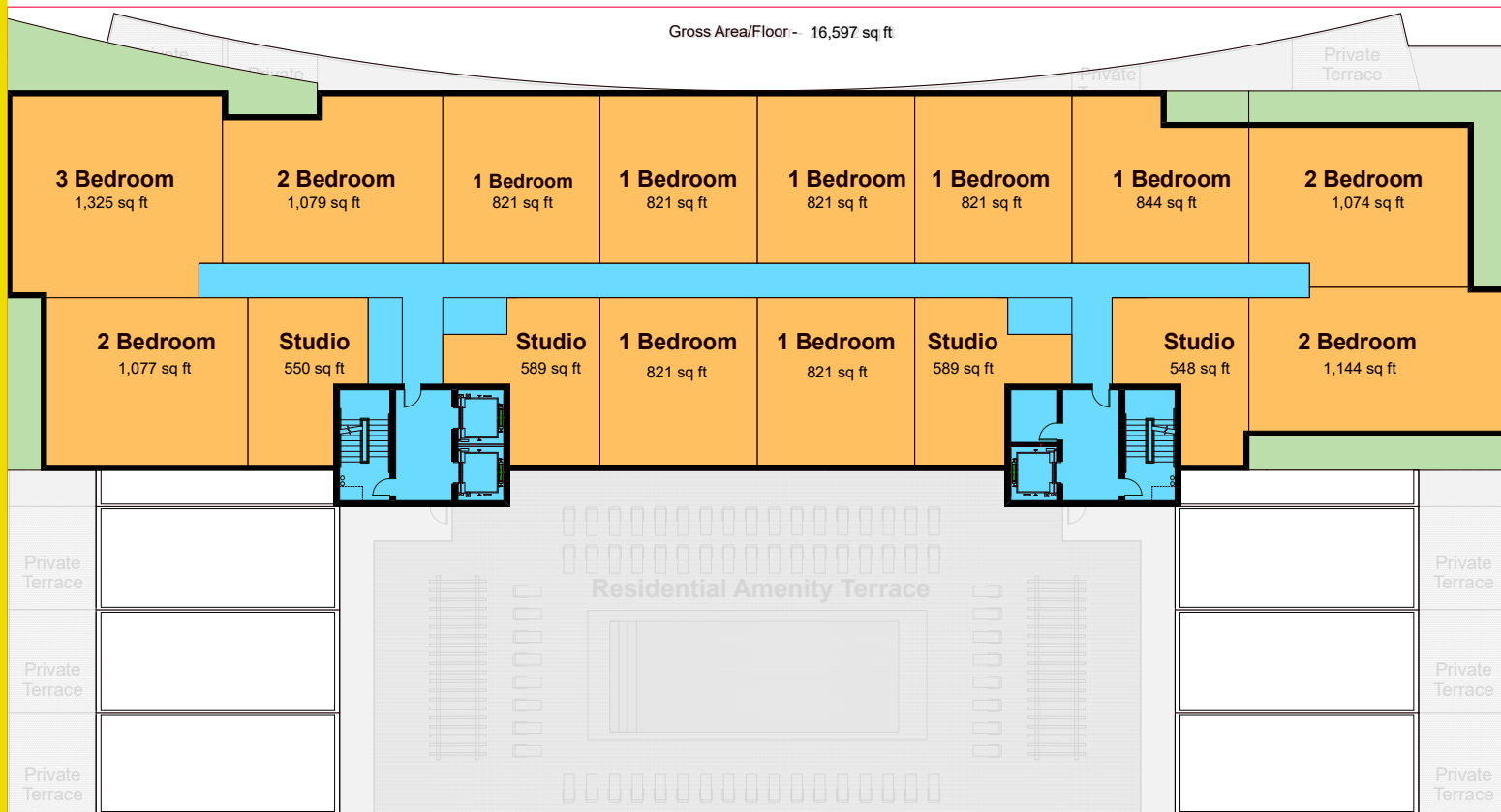


BUILDING DATA | FLOOR 2 RESIDENTIAL

2 STUDIOS
6 ONE-BEDROOMS
4 TWO-BEDROOMS
2 THREE-BEDROOMS

PROJECT CONCEPT

ARCHITECTURE + DESIGN | FLOORS 3-9



BUILDING DATA | FLOORS 3-9 TYPICAL

- 4 STUDIOS
- 7 ONE-BEDROOMS
- 4 TWO-BEDROOMS
- 1 THREE-BEDROOM

PROJECT CONCEPT

EXISTING FOOTPRINT | **FOOD + BEVERAGE**

The Mandel development team envisions providing a unique side-walk-level experience to activate the podium of Block 88. Careful curation of the uses and activation of the limited retail space can combine to create a memorable destination as well as a beneficial platform for growing Madison's highly acclaimed food + beverage community.

A portion of the podium retail space will house the development's leasing and management operations, in approximately 1,500 square feet adjacent to the residential entrance and lobby. The remaining 3,671 square feet are proposed to be managed as a "food incubator" in which smaller-scale food vendors (especially those from within Madison's minority and ethnic populations) are provided a setting and support to develop,

grow and promote their businesses. To oversee this aspect of our development proposal and to bring a passion for food and community-based activism to our team, we are excited to add Jonny Hunter and the Underground Food Collective (UFC) as our partner in this effort.

As discussed in preliminary planning meetings, UFC and Mandel foresee developing a highly flexible "street-food cart" environment within the retail space, providing the opportunity to support 6-8 vendors in a "foodhall" configuration that would remain highly flexible in order to provide various vendor and table/serving setups dependent on season, holiday and special food opportunities.

(Continued on Following Page)



UNDERGROUND FOOD COLLECTIVE



PROJECT CONCEPT

EXISTING FOOTPRINT | **FOOD + BEVERAGE**

We foresee a high-energy atmosphere that is constantly activated by year-round ethnic-themed days and special civic events. We will explore modifying the podium shell on Pinckney Street to allow for a more “open-air” interaction with the sidewalk outside through the use of movable glass systems. The space would have centralized kitchen facilities and ventilation to meet health and building codes, but allow vendors to express their individuality in their food-serving space much as they would in the context of a street market. The diversity of offering and presentation is one key to a successful foodhall.

to celebrate culinary traditions and experiences not normally part of the city’s mainstream offering. Freshly prepared, ready to eat food is a logical entry point for access to the local economy, one that is pursued by many newly arriving non-majority residents who give Madison a richer texture and more varied lifestyle offering. Many immigrants arrive with exceptional culinary skills that bring ethnic food offerings to life. UFC foresees acting as a manager to qualify, guide, support, and otherwise grow the individual businesses that would grow through the addition of street carts, food trucks or eventually a hard space retail environment.

UFC is passionate about bringing disenfranchised segments of the Madison community “to the table”

(Continued on Following Page)



STREET VENDORS | LONDON



PROJECT CONCEPT

EXISTING FOOTPRINT | **FOOD + BEVERAGE**

The space itself can be “morphed” during the day, serving the highly mobile lunch crowd around the Square during the week and then converting to a food-supported meet-up space after work for special programming. Cooking classes are a natural addition to the evening hours, along with other nutrition and healthy lifestyle programming. As with the near-term realization of Madison’s Public Market development, aggressive programming will be a key to success in making this space work as a highly creative adjunct to the more conventional restaurant offerings that currently acclimate to retail space along the Square and State Street.

The remaining 2,424 SF corner retail suite will be programmed for a creative breakfast/lunch venue that we’re calling (as a working title) “The Morning Squeeze”. We foresee this as a high-energy breakfast/lunch venue that would offer counter, table, booth and sidewalk service with a menu based on fresh/local/organic ingredients. Vendors within the adjoining foodhall space may be aligned with this business to provide unique ethnic offerings. The location is a natural destination for business breakfast and lunch appointments that serve the downtown business and government sectors as well as attendees at Monona Terrace events.

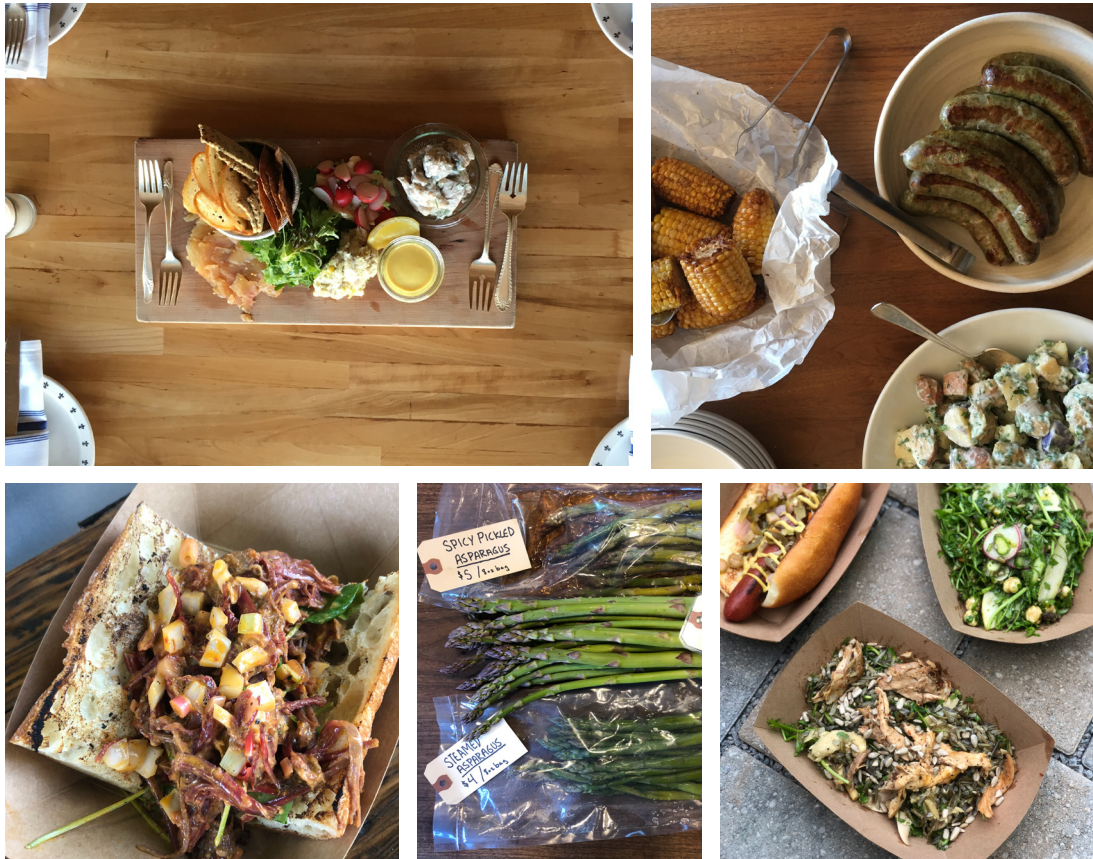
STREET VENDORS | LONDON



PROJECT CONCEPT

EXISTING FOOTPRINT | **FOOD + BEVERAGE**

UNDERGROUND FOOD COLLECTIVE



Block 88 is perfectly located to offer a **unique food experience** for the Downtown Madison market. This space will have the capacity to host **multiple food vendors** in one location. It will be designed as an indoor street market and created in modular form such it is mobile and easy to work with. There can be large glass windows that open during nice weather days to provide an **outdoor ambiance**. Incorporating multiple different vendors that regularly rotate will create an opportunity to **work with a variety of aspiring entrepreneurs** including low-income, immigrants and other disadvantaged populations to produce their own sales platform. Jonny Hunter is passionate about this outcome and positioned to make it happen.

PROJECT CONCEPT

SUSTAINABILITY | TEAM APPROACH

SUSTAINABLE PRACTICE

All key team members are required to adhere to high standards for sustainability in the execution of this project. CD Smith, KTGy and Mandel Group have long track records of incorporating sustainable practices and thought processes into their respective work product. We are excited to combine these resources and leverage sustainable practices through design, engineering, construction, and operation of the building.

Aspects of sustainability include:

- Incorporation of alternative energy systems
- Achieving indoor environmental standards and performance including natural lighting, air quality and acoustical separation
- Use of high-quality building systems to create sustainability through longevity of service and energy-efficient operating enhancements
- Waste stream segregation and recycling during the construction process
- Incorporation of LED lighting, Energy Star rated appliances, high-efficiency HVAC systems, water-saving plumbing fixtures and other normal/customary interior finish selections to encourage energy conservation and long-term life cycle service

Mandel Group has been a long-time participant in the Focus on Energy program and intends to use the full menu of design/pre-construction services available through Focus to refine the energy performance of the building.

Mandel Group has developed residential and mixed-use buildings under the LEED program, achieving LEED Gold status for its development of the 700-bed Cambridge Commons student resident hall for the UW-Milwaukee Real Estate Foundation. We will evaluate the objectives and outcomes of LEED designation and make our decision accordingly. We are actively pursuing WELL project designation for several current Mandel projects and expect that Block 88 would be certified upon completion by the International WELL Building Institute.

BULLITT CENTER | SEATTLE



BULLITT CENTER | SEATTLE



PROJECT CONCEPT

SUSTAINABILITY | KTGy



Our Motto: Green is Clean

KTGY Architecture + Planning takes great pride in being on the forefront of the sustainability movement. Far from being simply theoretical, our solutions are buildable. Being green is important to us, but being green while making our buildings profitable for our clients is our goal. We know from our experience that the home owner is not necessarily willing to pay more for a green home. They however do respond to a tangible benefit where their utility bills may be reduced.

We have designed more than 30 projects that have been LEED Certified, with several at the gold level and one at the platinum level.

We believe that sustainability is not something that happens at the end of the design process. It starts at the very first lines on the page and continues collaboratively throughout the process until the building is occupied and a users' manual has been supplied to the resident. Typically we suggest a charrette early in the process that includes all consultants who will work on the project. While they might not start working in earnest for several weeks, this is an opportunity for them to add valuable knowledge that can only be incorporated at this early stage. It also sets an expectation level for their work later.

PROJECT CONCEPT

SUSTAINABILITY | KTGy

KTGy has dozens of staff members who are LEED AP. Rather than a specialty confined to one studio, or small group of individuals, sustainability permeates our thinking across studios and offices. Further, we have formed strategic alliances with several green building consultancies with whom we collaborate regularly to insure that our thinking remains up-to-date. Building construction has direct and indirect impacts on the environment. Buildings use resources such as energy, water and raw materials, and they generate waste both during construction/demolition and after they are occupied. Building owners, designers and builders face the unique challenges of meeting the demands of a project while minimizing its impact on the environment.

KTGy values sustainable and “green” building design as our collective responsibility to the environment and future generations. KTGy is committed to design processes based on principles of smart growth and planning that incorporate natural and reusable resources and preserve open space, resulting in efficient and sustainable buildings and communities. Our common-sense design approach respects the natural environment by minimizing waste, efficiently utilizing resources, and creating built environments that promote healthy and enjoyable living.

Our approach to sustainable and integrated building design starts with identifying the overall goals for a given project and their impact on project design, schedule and budget. An evaluation of the appropriate strategies and methods follows to determine the best and most cost effective ways to accomplish these goals. A design team charrette or workshop, including the owner, architect, landscape designer, MEP and civil engineers, and builder, is organized to explore building ideas and planning concepts, sustainability goals and implementation strategy, and to assess the sustainable scope of work for all team members. This charrette focuses on the following sustainable design principles:

- Optimizing the Site / Reuse of Existing Structure
- Optimizing Energy Use
- Protection and Conservation of Water
- Utilization of Environmentally Preferable Products
- Enhancement of Indoor Environmental Quality
- Optimization of Operational and Maintenance Practices

KTGy will lead the design team in establishing milestones and coordinating design and documentation efforts in order to achieve the LEED certification goal desired by the client.

PROJECT CONCEPT

CONSTRUCTION APPROACH | TIMELINE + STAGING

LOGISTICS

A critical aspect of project execution is an effective logistics plan for future construction activity. CD Smith's Senior Site Superintendent tagged by the firm for this assignment has visited the podium construction site several times to observe current operations. With consideration for vertical staging of the work above the podium, CD Smith has devised a logistics and site staging plan that utilizes the current material/equipment/control strategy in use by Cullen and has supplemented it with refinements that respond to the vertical extension of future building activity.

Particular attention was directed to the current location of the site's tower crane. Being able to use the existing crane placement and current equipment would save considerable time and costs (subject to an updated permit from the City). CDS has reached out to ALL Crane to confirm the serial number and status of the crane on site and its availability at the expiration of the Cullen lease agreement. CDS has extensive experience building in urban settings and accommodating the phase-in of completed improvements while construction ensues on other parts of a development. Given the City's desire to begin using the public parking component once completed in August, 2019 CDS has worked up alternative delivery methods that would minimize impacts on parking operations while the vertical tower is constructed above.

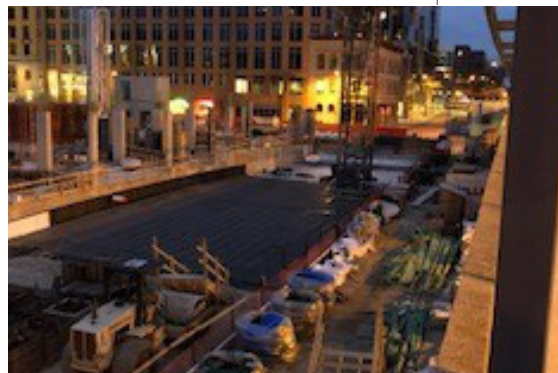
SELF PERFORM

As with most best-in-class general contractors, CD Smith brings to the table a deep bench of self-perform capabilities in a wide variety of trades vital to the execution of the Block 88 project. CDS tradecrafts are augmented by a robust yard operation. CDS owns an extensive fleet of equipment and general conditions materials to immediately stage and support their construction sites. With these talent and equipment assets, CD Smith is able to apply direct control on the project schedule and augment subcontracted construction resources to assure completion and quality outcomes for the benefit of their clients.

CDS maintains multiple work crews for the following full-service trades:

- **Concrete + Masonry**
- **Steel**
- **Rough + Finish Carpentry**
- **Studs + Drywall**
- **EIFS**
- **Earthwork**

While CD Smith maintains one of the largest direct-employed construction workforces in the State of Wisconsin, they operate with high efficiency and cost-competitiveness, as recently evidenced by the bid award of the new Nakoosa Trail Fire Radio Facility (\$27.2 million) for the City of Madison's Public Works Department.



JUDGE DOYLE SQUARE | MADISON

PROJECT CONCEPT

CONSTRUCTION APPROACH | ACCESS TO OPPORTUNITY

As a national company, diversity and inclusion are critical to the success C.D. Smith. The company is committed to being an Equal Opportunity Employer and to increasing the number of women and minorities within our company. We focus on including associates of all backgrounds in an effort to make our workforce, subcontractors, vendors, and clients always feel accepted. We strongly discourage unfair acts or treatment by our associates that may be discriminatory in any nature.

C.D. Smith has extensive experience working on projects with certified Emerging Businesses participation goals and we will establish TBE goals for this project. Our team has a proven track record working with certified firms across Wisconsin on a variety of projects, both public and private. We encourage Emerging Business participation programs on all of our projects, regardless of funding and project requirements. We are dedicated to utilizing minority businesses as well as maximizing local business involvement without sacrifice to the quality of work, time or cost.

Noteworthy projects on which C.D. Smith successfully implemented set-aside goals were the State of Wisconsin DOA Hill Farms redevelopment project and the General Mitchell International Airport Baggage Claim project. C.D. Smith has hosted minority business outreach summits to encourage participation in addition to the following measures and procedures to ensure we maximize TBE outreach and participation.

C.D. Smith will use the following methods to further develop the subcontracting goals:

1. Existing Company source lists
2. The Procurement Automated Source Systems (PASS) of the Small Business Administration
3. The National Minority Purchasing Council Vendor Information Service
4. Minority Business Development Centers (funded by the Minority Business Development Agency, Department of Commerce)
5. Trade associations affiliated with SDB's



PROJECT CONCEPT

CONSTRUCTION APPROACH | COMMUNITY EFFORTS

THE CITY OF MADISON

The C.D. Smith project team is well versed in working with the City of Madison to obtain necessary project approvals. Our team will work diligently to ensure approvals are acquired in a timely and efficient matter. We take a proactive approach when working with authorities and always make it our mission to stay ahead of the game to prevent unnecessary project delays.

COMMUNITY OUTREACH PLAN

Urban projects within active communities require an integrated and inclusive approach to reaching stakeholder consensus. Any major development has the potential to raise concerns with the surrounding community. Our planning and preconstruction team will create a plan for direct community outreach to foster support and facilitate implementation of the overall project vision. Our project execution team is local and has experience working on complex projects throughout the City of Madison.

OUTREACH TO EXISTING STAKEHOLDERS GROUPS AND ESTABLISHMENT OF A COMMUNITY ADVISORY GROUP

C.D. Smith will work with our key strategic partners in Madison to identify and engage local stakeholders most impacted by the project. C.D. Smith will establish an advisory group consisting of members from various stakeholder organizations to promote the project positively in the community. The Advisory Group's role will be to facilitate feedback and consensus building between community residents and the project team to successfully and positively move the project forward through design, construction and ongoing operations.



MANDEL GROUP, INC.

CHAPTER 4:

Financial Capability & Project Financial Information

In response to the City's RFP criteria, information provided to demonstrate our team's capability to capitalize and complete the project can be found in the following areas of our proposal:

- **Evidence of Financial Stability and Capability/Capacity:** Please see materials on the following pages
- **Workforce Utilization Plan:** Please see a description of CD Smith's past track record on inclusionary practices as well as their outline plan for the Block 88 proposal on page 56.
- **Financial Information:** Information pertaining to our estimated supportable development budget, financing structure, market analysis, and our detailed financial plan, please see materials included in our separate packet entitled "Financial, Market and Real Estate Parameters"
- **Public/Private Partnership:** Information that describes a suggested relationship between our development team and the City of Madison is contained in our separate packet entitled "Financial, Market and Real Estate Parameters"

EVIDENCE OF FINANCIAL CAPABILITY

CAPITALIZATION

Mandel Group underwrites its operations through a combination of recurring and one-time revenue streams. Our professional staff is fully supported by these revenue sources. Pursuit costs are capitalized through retained earnings and broad capacity provided through our line of credit lenders.

Individual projects are separately capitalized using a free-standing LLC model, whereby the economic benefits derived from investment in these assets is self-contained. Mandel currently manages roughly 40 LLCs each attributable to unique operating assets, which number fluctuates as a result of acquisitions, new developments and dispositions.

We have readily available the credit and cash resources to pursue this development opportunity with you.

DEBT + EQUITY SOURCING

Mandel's acquisition/development/construction (ADC) debt sourcing approach reflects on our emphasis on teamwork. We will generally qualify several lender alternatives for any project but secure a final debt sourcing relationship on the basis of negotiation vs. competitive bid. Using this approach, and based on continuous input from outside sources, we are confident to have consistently achieved most favored-nation pricing and terms. We also develop better relationships with our lenders, critical to carry us through the ebbs and flows of real estate business cycles.

Long term debt financing reflects on each development's capital stack and balancing of cost of funds, loan term flexibility and recourse provisions. Our goal in each case

is to achieve full non-recourse covenants but for bad boy carveouts. As a long-term holder of real estate, our typical long-term debt commitments range from 7-15 years dependent on market pricing/terms at the time of origination.

Past long-term debt partners include:

- Northwestern Mutual Life
- Allianz
- JP Morgan
- Walker & Dunlop
- WHEDA
- Freddie Mac | Fannie Mae

FINANCIAL DISCIPLINE | ADVISORY BOARD

A key component of our financial oversight strategy is incorporation of an Advisory Board to provide outside expert guidance. A valued aspect of our Advisory Board's involvement is to challenge our assumptions and push us out of our comfort zone in terms of strategy and forecasting financial and business trends that influence a long-gestation business such as real estate development.

2019 BOARD OF DIRECTORS

- **Francis Brzezinski**, CEO - Interstate Partners
- **Dr. Mark Eppli**, Director of Graaskamp Center for Real Estate - UW Madison
- **John Fowler**, VP of Global Strategy Quad/Graphics
- **Breck Hanson**, VP - Associated Bank (retired)
- **Michael Hatch**, Partner - Foley & Lardner
- **Julian Kossow**, Law Professor Marquette University
- **Matthew Lawton**, Managing Director - HFF
- **David Lubar**, President - Lubar & Co.



April 9, 2019

Mr. George E. Austin
Project Director
City of Madison Department of Planning &
Community & Economic Development
210 Martin Luther King Jr. Blvd.
Madison, WI 53703

RE: Judge Doyle Project – Block 88

Dear Mr. Austin:

It is my understanding that Mandel Group is pursuing a high-rise multifamily development opportunity on the podium of Block 88. CIBC (previously The PrivateBank) has had an ongoing and broad banking relationship with Mandel and its affiliates for over 15 years. During this time we have provided Mandel with a full range of banking and credit services – as depository, letter of credit provider, bridge loan lender, and construction lender. During this time we have financed several of Mandel's multifamily projects, and we are currently discussing possible loan terms for the company's Portfolio project, a 176-unit luxury high-rise to be developed on a beautiful downtown Milwaukee site overlooking Lake Michigan.

We have come to know first-hand Mandel's unsurpassed development and management expertise, professionalism, and attention to detail; thus, we hold the company's leadership and employees in the highest regard. As a UW real estate alum I'm aware of the Judge Doyle Square project and feel that Mandel's expertise and focus on creating developments of the highest quality make the company exceptionally well qualified to help you achieve Madison's objectives for this important piece of the Capitol Square redevelopment.

Please feel free to contact me at 414.291.7117 if you have questions or need specific additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "James Roemer".

James Roemer
Managing Director



Brandon J. Franke
BMO Harris Bank
111 E. Kilbourn Ave.
Milwaukee, WI 53202
414-765-7482
Brandon.Franke@bmo.com

Wednesday, April 10, 2019

To Whom It May Concern:

Mandel Group, Inc. has been a client of BMO Harris Bank since the 1990's and is one of our most well-regarded clients. BMO has financed several of Mandel's real estate developments, including complex transactions involving public private partnerships. Two recent developments include North End Phase III, located in Milwaukee, WI, and The West, located in West Allis, WI, for which BMO provided commitments of \$36,125,000 and \$21,000,000, respectively. Mandel has handled all loan obligations as agreed including North End Phase III and The West.

BMO asserts that Mandel has the financial capability and development expertise that is crucial to execute complex real estate projects. BMO's confidence in Mandel is evidenced by the recent term sheet issuance, contemplating the financing of up to \$41,000,000 for the development of a 265-unit apartment complex in Franklin, WI, and further supported by BMO's continued discussions with Mandel to provide construction financing for the Portfolio, a high-rise, luxury apartment project planned for Milwaukee's Lower East Side.

Given Mandel's history with BMO and impeccable reputation within the real estate industry, BMO anticipates that our lending relationship with Mandel will continue to strengthen and result in similar financing opportunities in the future, subject to prevailing market conditions.

If you have any additional questions about our relationship with Mandel, I would be pleased to answer them.

Sincerely,

A handwritten signature in black ink, appearing to read "Brandon J. Franke".

Brandon J. Franke,
Vice President

MANDEL GROUP, INC.

CHAPTER 4 ADDITIONAL INFORMATION:

PROPOSED FINANCIAL STRUCTURE



PROPOSED FINANCIAL STRUCTURE

Summarized below are our initial thoughts regarding real estate transaction details, a brief discussion regarding market feasibility, and preliminary financial projections that correspond with our submitted proposal.

PUBLIC | PRIVATE PARTNERSHIP STRUCTURE

The proposed public/private framework depicts the expectations of a partnership structure between the Mandel Group team and the City of Madison. The public/private partnership structure depicts aspects of financial participation on the part of the City of Madison and has a direct impact on the financial projections provided below. Key relationship issues that determine financial feasibility under our approach include:

1. Podium/Residential Parking Lease and Purchase
2. Financial Compensation for Air Rights above Podium – Lease and Purchase
3. Tax Increment Financing
4. Workforce Housing Component

BUILDING PROGRAM | CONFIRMATION + INTENT

The proposal illustrates a high-end residential apartment community intended to attract a mature audience. This segment of market demand is not otherwise comfortable living in downtown properties that have a preponderance of student and campus-related residency. Since 2006 nearly one-half of the rental demand nationally has been from households headed by adults age 54 and older. That trend will undoubtedly continue as 10,000 US residents turn age 65 each day between now and 2030, an indicator of the potential growth in this segment of the market.

Block 88 is located on the east side of the Capitol Square, recognized by prospective renters as the “adult side” of the Square – in other words an older adult will likely look to this immediate area for desirable housing options as compared to other quadrants of the Square. We also expect to do a fair amount of corporate housing contracts given the proximity to the State Capitol and the concentration of professional services firms in proximity to the site. We have further suggested an approach to incorporating Workforce Housing later in this discussion.

(Continued on following page)

PROPOSED FINANCIAL STRUCTURE

BUILDING PROGRAM | CONFIRMATION + INTENT

The total residential unit count is 144. The podium has a total of 138 parking stalls per the RFP materials. In the near-term we will need to locate additional offsite parking that addresses what we believe will be a shortfall of 40-50 parking stalls. In the balance of our urban portfolio we are just beginning to experience what we would characterize as “peak parking” followed by what we believe will be a lessening of parking demand. Best opportunities for this to occur are at highly walkable urban properties that have robust transit alternatives.

We believe that sufficient alternative parking options exist in proximity to Block 88 to bridge this gap, and further believe that the parking demand has

leveled off and will eventually drop over time. Alternatively, we may also rely on a limited amount of valet parking service provided by our staff or an outside vendor. Solving the parking imbalance with secure, reserved and convenient parking alternatives will be a key issue for us to solve in order to attract our target audience.

Podium utilization related to the residential use includes the exclusive use of the residential lobby, exclusive rights to the leasing/tenanting of 7,595 square feet of ground floor retail space, exclusive access to the entrance/exit areas that provide access to residential parking, and the shared use of service areas such as the loading dock, trash room, mechanical/electrical service rooms and other service components of the constructed improvements. The bicycling center is owned/leased by the City of Madison.

PROPOSED FINANCIAL STRUCTURE

MARKET ANALYSIS

We have utilized a variety of analytical tools buttressed with primary research at key competitive properties to analyze the competitive positioning of our proposal. Based on this analysis we are confident that a market exists for the specific type of product offering we are proposing. Market rents achieved at Judge Doyle Square / Block 88 will need to out-perform existing inventory to make the project cost-feasible. Our analysis of unit rents comparing existing best-in-market properties with our proposal yields the following comparison (rents shown are averages and subject to variation based on unit sizes; all rents are presented a la carte):

	Existing	(2019) Proposed
Studio	\$2.35/RSF	\$2.75/RSF
One Bed	\$2.05/RSF	\$2.50/RSF
Two Bed	\$1.85/RSF	\$2.25/RSF
Three Bed	\$1.70/RSF	\$2.00/RSF

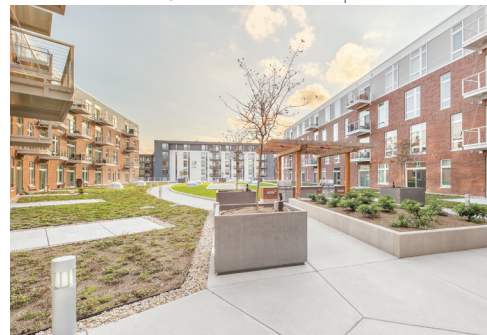
The above rental structure projects a need to out-perform the current market by 17-20% to provide sufficient net operating income that supports project capitalization. This is consistent with our experience attracting similar profile tenants to similarly positioned properties.

Our proposed mix of units reflects the audience we look to attract. The mix is skewed towards a higher percentage of larger unit sizes. Our current calculated average square footage per unit exceeds our ideal mix/size matrix and resultant average unit size; we will need to refine this going forward. We are well above the average unit size of the prior proposal, indicative of both the average size of individual floorplans and the mix of unit styles that weighs more heavily in two- and three-bedroom floorplans. We will continue to refine the building and unit sizes to match to our ideal/target space allocation.

Targeted Space/Unit (Mandel)	891 RSF
Current Space/Unit (Mandel)	901 RSF
Average Space/Unit (Beitler)	757 RSF

In general, larger unit floorplans result in a more favorable (lower) ratio of parking spaces per \$1,000 of assessed value, which is particularly important to a project where there exists a finite number of available parking stalls coupled with a stated goal of maximizing the incremental value of private improvements.

APERTURE (THE NORTH END) GREEN ROOF | MILWAUKEE



PROPOSED FINANCIAL STRUCTURE

TABLE 1 | UNIT MIX

MANDEL GROUP, INC.
JUDGE DOYLE SQUARE - BLOCK 88 RESIDENTIAL

FLOOR	GSF	RSF	Efficiency	Studio		One-Bedroom		Two-Bedroom					Three-Bedroom		
				548	550	589	821	844	761	1,072	1,074	1,075	1,077	1,079	1,144
1	21,272	15,975	75%			2	4		6	1		3			2
2	21,272	17,617	83%			2	6		6			3			2
3	16,597	13,745	83%	1	1	2	6	1			1		1		1
4	16,597	13,745	83%	1	1	2	6	1			1		1		1
5	16,597	13,745	83%	1	1	2	6	1			1		1		1
6	16,597	13,745	83%	1	1	2	6	1			1		1		1
7	16,597	13,745	83%	1	1	2	6	1			1		1		1
8	16,597	13,745	83%	1	1	2	6	1			1		1		1
9	16,597	13,745	83%	1	1	2	6	1			1		1		1
901	158,723	129,807	82%	7	7	18	52	7	6	2	7	6	7	7	11
				Units		32									18
				% of Overall Mix		22%									13%
				Target Mix		15%									10%

PROPOSED FINANCIAL STRUCTURE

FINANCIAL PROJECTIONS | DEVELOPMENT BUDGET

Total estimated development costs are summarized on the attached Table 2. The development budget is estimated at a total of \$38.23 million or \$265,500/unit.

77% of the development budget is allocated to construction costs. This budget includes an allocation of \$988,000 for completion of the residential lobby and improvement of leasable retail space within the Podium. It is assumed that all other aspects of the Podium's construction are complete and ready for use.

Analysis of construction costs will continue as we refine the plan. At this early stage construction estimates are highly variable and subject to adjustment as detailed plans and specifications are prepared. CD Smith, our construction partner has cautioned that ongoing escalation of both labor and material components can result in considerable variance in the final bid cost of construction, particularly in light of a currently-unknown start date.

Construction means and methods will also impact the final cost of construction. For instance, currently we are analyzing the ben-

efits of executing the frame of the building in steel/steel deck composite as compared to cast in place concrete. There are meaningful differences in speed of erection, time to enclosure, potential avoidance of winter conditions and the ability to maximize new rentable square footage on the existing structural system (due to a lighter structural frame).

Given that key decisions will be made based on the overall development budget, and further given that a bulk of the development budget is comprised of construction costs, we will structure a mechanism whereby the City of Madison will have "open book" access to the details of all construction estimates, bids, allowances and items of overhead and profit. We will run this project on an "open book" basis. As soon as a building concept is agreed to between the Mandel team and City of Madison, we will have CD Smith run a detailed cost estimate of the project and share that with the City. We do not want to surprise the City in any respect as it relates to the execution of this development. In particular, given the volatility of construction costs we need to be on the same page continuously regarding the cost to build as a driving determinant of project feasibility.



LIGHT HORSE GREEN ROOF | SHOREWOOD



PROPOSED FINANCIAL STRUCTURE

TABLE 2 | DEVELOPMENT BUDGET

Block 88 Concept Development Budget

Unit Count	144		170,182	144
			\$/GSF	\$/DU
Total Development Budget	\$ 38,233,759	\$	224.66	\$ 265,512
Budget Allocation				
Hard Costs	\$ 29,439,994	\$	172.99	\$ 204,444
Soft Costs	\$ 4,588,051	\$	26.96	\$ 31,861
Developer's Fee	\$ 1,911,688	\$	11.23	\$ 13,276
Contingencies	\$ 2,294,026	\$	13.48	\$ 15,931
Initial Operating Reserves	\$ -	\$	-	\$ -
Totals	\$ 38,233,759	\$	224.66	\$ 265,512

PROPOSED FINANCIAL STRUCTURE

FINANCIAL PROJECTIONS | CAPITALIZATION SOURCES/USES

We have included a simplified Sources/Uses schedule as Table 3 to verify our intent as to leverage. The “stabilized capitalization” model reflects the project’s debt/equity structure upon completion of construction and stabilization of operations. The debt assumption is based on long-term fixed rate debt financing having replaced the construction loan.

A key factor impacting the capital stack is the ongoing tightening of credit terms by both short- and long-term lenders. The 70% leverage shown is equivalent to what most construction lenders are quoting absent extraordinary covenants and extraordinary credit enhancement. It is equivalent to what a competitive life company/institutional lender would leverage (excluding higher leverage ratios available through Fannie/Freddie or through a HUD-insured program such as 221(d)(4). The future of the GSE lenders is under review and their participation levels and terms may change prior to this project reaching stabilization. We have not suggested using a 221(d)(4) loan origination as the program is subject to change and lengthy to execute. We’d be unable to make a non-conditional representation to the City of Madison of our ability to finance if we sought 221(d)(4) mortgage insurance. Under our approach the City of Madison can readily verify the availability of debt financing with our conventional lending sources.

To fill the capitalization gap that results from lower leverage we have cultivated a group

of repeat high-net-worth investors interested in long-term real estate investing. As of this proposal date we currently manage, in conjunction with our active real estate investment partnerships, over \$175 million of investor equity. We have raised investor equity for transactions in the amount of \$2 million to \$25 million per transaction. We do not foresee difficulty in raising investor equity for the Judge Doyle Square/Block 88 development, provided that we can provide market-acceptable returns for our investor pool.

Given a lesser loan-to-cost ratio (discussed above) and increase in the amount of invested equity capital, debt service coverage is no longer the principal controlling factor in structuring project capitalization. Rather we now focus on equity yield and overall equity IRR as primary determinants of project feasibility. The equity market is currently expecting a preferred return of 7% and, through growth of net operating income an average cash-on-cash return of 9% over the initial 10-year holding period. Based on a hypothetical sale after 10 years of operations, investors are seeking a minimum internal rate of return (total returns inclusive of residuals from the sale of the asset) of 13%.

We expect to be “open book” with the City with regards to our investor analysis, as we firm up a design, update our pro forma and validate our development budget. We need to hit certain benchmarks in order to attract the requisite private capital. Further discussions regarding fine-tuning of the deal structure would be based on the threshold returns needed to secure private-sector funding.

PROPOSED FINANCIAL STRUCTURE

TABLE 3 | SOURCES/USES SCHEDULE

SOURCES / USES OF FUNDS - Stabilized Capitalization

USES

Land	\$	-
Construction Costs		29,439,994
Soft Costs		4,588,051
Developer's Fee		1,911,688
Contingencies		2,294,026
Total Uses	\$	38,233,759

SOURCES

First Mortgage Debt	\$	26,763,631
Equity		11,470,128
Total Sources	\$	38,233,759

PROPOSED FINANCIAL STRUCTURE

STABILIZED ANNUAL PRO FORMA

We have included as Table 4 a series of three stabilized operating pro formas. These simplified financial snapshots assume that construction has been completed, occupancy has reached a stabilized 95% occupancy, and long-term fixed-rate financing has replaced variable-rate construction financing. Variable operating results for the years prior to stabilized operations – initial operating deficits and variable operating cash flow less than a 7% preferred return – are budgeted for and included in the soft cost budget.

BASELINE ASSUMPTIONS

This analysis presents our baseline metrics combining total development costs with the anticipated operating statement and capital structure. The resulting cash yield on equity is 6.23% or 77 basis points less than our requisite 7.00% return to equity investors. This suggests that either development costs need to be reduced or net operating income elevated sufficient to provide the target cash-on-cash return. We completed two analyses to quantify the movement necessary in the capital budget and/or operations to reach a 7% cash-on-cash yield.

EQUITY YIELD TARGET | OPERATIONS ENHANCEMENT

Operations would need to improve 3.6% to meet a 7% cash-on-cash yield. Enhancements in net operating income are shown as a combination of revenue increases and operating expense decreases.

EQUITY YIELD TARGET | VE TOTAL CAPITALIZATION

Another approach to analyzing the gap is to calculate the cost reduction necessary to achieve the stated yield goal. A reduction of \$1.3 million in total development costs would result in debt service and equity return reductions sufficient to meet a 7% cash-on-cash yield for investors.

On the surface, neither of these targets appears insurmountable provided our initial underwriting is valid. Further analysis of market conditions and development costs will be undertaken to determine the most feasible pathway to achieving yield requirements within the proposed public/private structure.

BLOCK 88 | MADISON



PROPOSED FINANCIAL STRUCTURE

TABLE 4 | STABILIZED OPERATING PRO FORMAS

JDS Residential
Stabilized Annual Pro Forma

BASELINE ASSUMPTIONS			EQUITY YIELD TARGET - OPERATIONS ENHANCEMENT			EQUITY YIELD TARGET - VE TOTAL CAPITALIZATION		
Total Est Development Costs	\$	38,233,759	Total Est Development Costs	\$	38,233,759	Total Est Development Costs	\$	36,942,136
Debt	\$	26,763,631	Debt	\$	26,763,631	Debt	\$	26,524,064
Equity	\$	11,470,128	Equity	\$	11,470,128	Equity	\$	10,418,072
Revenue	\$	3,631,060	Revenue	\$	3,690,449	Revenue	\$	3,631,060
Operating Expenses	\$	1,198,250	Operating Expenses	\$	1,168,998	Operating Expenses	\$	1,198,250
Reserves	\$	43,200	Reserves	\$	43,200	Reserves	\$	43,200
Net Operating Income	\$	2,389,610	Net Operating Income	\$	2,478,250	Net Operating Income	\$	2,389,610
First Mortgage Debt Service	\$	1,675,341	First Mortgage Debt Service	\$	1,675,341	First Mortgage Debt Service	\$	1,660,345
Cash Flow	\$	714,269	Cash Flow	\$	802,909	Cash Flow	\$	729,265
Cash Yield on Equity		6.72%	Cash Yield on Equity		7.00%	Cash Yield on Equity		7.00%

PUBLIC/PRIVATE STRUCTURE

The following conceptual deal points form the contractual relationship between the City of Madison and the Developer as relates to the use, lease and/or purchase of improvements owned or controlled by the City.

PODIUM SPACE (NET OF PARKING)

We propose to lease the Podium space on the basis of a “cash flow lease” whereby the lease payment to the City of Madison equals 100% of the excess cash flow above and beyond a base amount calculated as follows:

Base Amount = Total Developer Investment in Podium retail space x 15%

A 15% factor reflects on the primary use of retail space for food + beverage tenancy. There is a higher initial capitalization of tenant improvements and a more expedient amortization of tenant improvements that drives this factor.

This baseline applies to the 7,595 rentable square feet of retail space. For that portion of the space allocated to the marketing and leasing center, the developer will negotiate a market-rate rental amount based on comparable space/comparable use in the immediate area. The “Total Developer Investment” in Podium retail space is comprised of tenant improvements, brokerage commissions and other soft costs incurred to successfully lease the square footage. Our current budget for these activities (\$117/RSF) would result in a Base Amount equal to \$17.55/RSF 3-net.

PODIUM PARKING

We propose to master lease the Podium residential parking facility on the basis of a “cash flow lease” whereby the lease payment to the City of Madison equals 100% of the cash flow realized from the operation of the residential parking for the duration of the lease term (the minimum lease term would be matched to the amortization schedule of underlying municipal debt). The residential parking facility would be managed and operated by the developer, which would be paid a management fee equal to 4% of the collected revenue to operate the facility. Based on similar residential parking facilities incorporated into several of our properties, we believe that the cash flow lease payment will be sufficient to fully cover the debt service of municipal debt (taxable or tax-exempt) associated with the cost to construct the residential parking, and return an amount in excess to the City of Madison above and beyond that debt service.

To maximize early-term revenue we would work with the City of Madison to open up the residential parking to the open market on a combination of short-term and month-to-month lease arrangements, and recapture spaces as demand builds during the completion, lease-up and occupancy of residential units.

PUBLIC/PRIVATE STRUCTURE

PODIUM OPTION TO PURCHASE

We propose that the Podium leases for #1 and #2 above include an option to purchase, exercisable at any time by the developer (provided such exercise does not violate any provision of underlying debt covenants) at a price equal to the depreciated basis of the original investment (plus capitalized replacements/capital repairs) with depreciation calculated on a straight-line basis over 20 years. Upon acquisition the lease would be terminated, and any operating cash flow derived from operations redirected to the Developer.

AIR RIGHTS ABOVE PODIUM

We propose that the Air Rights above the Podium be leased for \$1/year until the Air Rights are acquired by the Developer. Not later than ten (10) years from substantial completion and first occupancy of the residential improvements, Developer will acquire the Air Rights from the City for the sum of \$1 million. The trigger date may be slightly adjusted to match with the maturity of long-term debt financing. No conveyance of Developer's interest in the residential improvements is permitted without first acquiring the Air Rights.

DE FACTO SUBORDINATION

The Podium and Air Rights leases will be structured in recognition of other required collateral interests of private debt providers. Any default under the Air Rights or Podium leases shall not cause a default of the primary/superior lender collateral positions. Conversely, a default and foreclosure of the primary mortgage interest shall not result in a forfeiture of ownership of the Air Rights and Podium, which rights of ownership will remain with the City of Madison (unless and until conveyed to the Developer).

TAX INCREMENT FINANCING

We are **not seeking** an allocation of tax increment financing to support this development proposal under any of the possible TIF structures (upfront "grant", a subordinate loan paid by an allocation of net operating income, or as a "pay-go"). See workforce housing below for other options utilizing TID 25 resources.

PUBLIC/PRIVATE STRUCTURE

WORKFORCE HOUSING

Mandel Group has successfully incorporated affordable and workforce housing in other luxury apartment communities, in which 20% of the housing units were income-restricted pursuant to a 15-year LURA. An inclusion of workforce housing in the proposed development will require a financial contribution to equate the financial performance of affordable/workforce units with market rate units.

TID 25 is scheduled to close in September, 2022 with the last increment calculated in 2023. The district can, under the Statute, remain open for one additional year provided the incremental revenue is used for the benefit of the City's housing stock. The closing date for TID 25 and the completion date of Block 88 improvements are so close together so as to suggest this as a desirable alternative without undermining the financial condition of any other outstanding district financial obligations.

We propose that TID 25 use the flexibility offered in the statute to fund the creation of workforce housing for up to 20% of the residential units in the development. The income limit would be capped at 80% of county median income. The 20% of units would be a mix of all unit styles randomly located throughout the building, constructed to the same level of quality as all other units. The proposed arrangement would be for a period of 15 years. The financial compensation to enact this arrangement would be in the form of a prepaid rental deposit for the entire 15-year term, released monthly in equal amounts over 180 months. The deposit would be sized based on the projected rent differential during the LURA.

BLOCK 88 | MADISON





MANDEL GROUP

THANK YOU
FOR YOUR
CONSIDERATION!