



*Raymond  
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October 25, 2005

Madison Plan Commission  
City of Madison  
215 Martin Luther King Jr. Boulevard—Room LL100  
PO Box 2985  
Madison, WI 53701-2985

Re: ZONING LETTER OF INTENT  
FOR GANSER HEIGHTS LOT 5/8102 WATTS ROAD  
GDP APPLICATION

Dear Plan Commission Members:

I am pleased to present the General Development Plan for Lot 5 of the Ganser Heights plat. This Zoning Letter of Intent along with the our plans and supporting documents clarifies our objectives regarding the proposed development.

**Location & Context**

The property is located in the north east quadrant of the Commerce Drive Watts Road intersection with frontage on Watts Road, Commerce Drive and Highway 12/18 (the Beltline) at 8102 Watts Road. Abutting land uses are shown in the table below:

<b><u>Land Use</u></b>	<b><u>Relationship to Site</u></b>
Mixed use residential & commercial	Across Commerce Drive to west
Senior Housing/vacant land	Across Watts Road to south
Mini-warehouse/storage	Abuts on northern property line
Princeton Club & associated uses	Abuts to eastern property line

Other nearby land uses include multifamily residential, intense commercial uses including Menards Home Improvement, Circuit City, Petsmart, the Bishop O'Conner Pastoral Center as well as the proposed expansion of the University of Wisconsin Research Park.

**Existing Conditions**

At present, the property has no existing structures. Vegetative cover is limited to scrub plants and weeds typical of a disturbed site. The site slopes from northeast to southwest with a change in slope of approximately 6.5% from the property line with the Princeton Club to Commerce Drive. Roads surround the site on three sides with curb cut locations fixed during the platting

process.

### **Project Participants**

The proposed development is a joint venture between the North Central Group (NCG) and Raymond Management Company (RMC). NCM and RMC have a long history of developing and operating high quality hotels in the Madison area including the Courtyard by Marriott, Hampton Inn (east and west), and Hilton Garden Inn. Both companies are recognized as award winning hotel owners and managers that develop high quality properties while providing excellent customer service. For the proposed development, RMC will guide the development and construction activities while NCM will manage the hotels. David A. Lenz is the principal of NCM while C.J. Raymond is the principal of RMC. Barry Perkel of RMC will be directing the GDP on behalf of both companies.

The hotels planned for the site include a Hampton Inn and Suites and a Homewood Suites. Both are members of the Hilton Family of hotels. The developers have a long history of working with Hilton and are among Hilton's leading developers and management companies.

Site planning and architecture are being guided by Gary Brink and Associates of Madison. Gary has a long history of working with the project developers in Madison as well as throughout the US. Civil engineering services are being provided by David Glusick of Calkins Engineers. Calkins Engineering was the engineer of record when the original plat was created and brings extensive project knowledge. Landscape architecture services are being provided by the Bruce Company with Chuck Poessel acting as project manager.

Finally, we anticipate that Kraemer Brothers of Plaine, WI will supervise site work, utility installation and construction of the proposed hotels. Kraemer Brothers boasts a 20 year working relationship with the developers, most recently having completed the Residence Inn at Greenway Station, the Hilton Garden Inn at Greenway Station and the Courtyard by Marriott near East Towne Mall.

### **Development Concept**

The fundamental idea behind the development is creation of a superior environment for the traveling public by creating a node combining the convenience of proximity to work, restaurants, retail services and hospitality facilities. A critical mass of up to 250 high quality hotel rooms in conjunction with proximity to the Princeton Club, existing and future restaurants, nearby retail uses as well as the expanded University Research Park creates a unique and powerful synergy that contributes to the economic vitality of Madison while enhancing the surroundings. It is our intention to promote the development of lots along the Watts Road frontage with uses that support the primary use of the site as a center for travelers visiting the area for business and leisure.

A more complete discussion of the evolution and factors influencing the development of the site is provided by Question & Answer document provided as part of our GDP submittal.

### **Project Schedule**

Our goal is to commence site improvements in the fall of 2006 with hotel construction commencing in spring of 2007. The balance of the site will be developed as users are secured.

### **Building Area & Related Information**

Preliminary designs for the Hampton Inn and Suites call for 124 rooms in mix of single rooms (approximately 34) with king beds, 50 rooms with a pair of queen beds and 40 suites. The hotel provides a complimentary continental breakfast served exclusively to hotel guests. There is no restaurant nor is there a lounge/bar. An enhanced indoor pool and whirlpool are also available solely for guest use by guests. Other pertinent information is provided in the table that follows:

<b>Hampton Inn and Suites</b>	
Total Gross Square Footage	74,768
Room Mix	
Single King Room	34
Queen Bed Rooms (2 per room)	50
Suites	40
<u>Total Number of Rooms</u>	124
Number of Parking Stalls	100 on-site 19 on street

Homewood Suites is an all suites extended stay hotel marketed to guests whose length of stay necessitates more room. As proposed at this time, the Homewood Suites has 118 suites with a room mix as shown in the table that follows.

<b>Homewood Suites</b>	
Total Gross Square Footage	85,243
Room Mix	
Studio Suite	49
Single King Bed Suite (1/suite)	53
Two Bedroom Suites	16
<u>Total Number of Suites</u>	118
Total Number of Parking Stalls	98 on-site 11 on street

In addition, the hotel includes an indoor pool and whirlpool for the exclusive use of guests as well as a small kitchen for the preparation of a complimentary breakfast and manager's reception in the evening. There is no food service or restaurant serving the general public as the limited food service serves the exclusive needs of hotel guests.

Letter to City of Madison Plan Commission  
RE: Zoning Letter of Intent—Ganser Heights Lot 5  
October 25, 2005  
Page 4 of 4

Each hotel includes a dedicated masonry dumpster & recycling enclosure. We anticipate that landscape maintenance will be provided by an independent service that will haul equipment as necessary resulting in no need for maintenance buildings.

### **Other Considerations**

As noted in the Development Concept discussion, it is our intention to site uses compatible with the needs of the traveling public that might include restaurants, light retail and similar uses. We do not anticipate having any warehousing, production, processing, contractor shops/yards, nursery schools, motor vehicle repairs or bakeries since these uses are contrary to our vision for the development.

We do not anticipate significant residential development on the site. Any future residential uses would be ancillary to the commercial development essential to the synergy we want to create. As a result, we anticipate few, if any, school children will be generated by our proposal.

In addition to supporting and enhancing the development of the immediate area, the development will benefit the City fiscally as well. Using the currently mill rate and a recent cost experience in the Madison area it is reasonable to expect approximately \$600,000 in real estate tax receipts from the hotel proposals. Room taxes would add an additional \$550,000 in City room tax receipts.

### **Conclusion**

The site offers a unique opportunity to enhance the emerging fabric of the area surrounding the property. We believe the proposal augments the vitality of the immediate vicinity by bringing additional activities that compliment existing and future development. To that end, we look forward to working with the City to create an environment of which we can all be proud.

Sincerely,  
Raymond Management Co., Inc.

A handwritten signature in black ink that reads "Barry Perkel" followed by a stylized flourish or set of initials.

Barry Perkel  
Director of Real Estate