



## BLOCK 88 RFP RESPONSE





### Table of Contents

- *RFP Form A – Signature Affidavit*
- *RFP Form B – Proposer Profile Information*
- *RFP Form C – Proposer References*
- *Chapter 1 – Development Venture & Team*
- *Chapter 2 – Experience of the Team to Successfully Undertake the Project*
- *Chapter 3 – Preliminary Project Concepts*
- *Chapter 4 – Financial Capability and Project Financial Information*
- *Exhibit A – Lender Recommendation Letter*
- *Exhibit B – Affirmative Action Plan*
- *Exhibit C – Iconica Background*
- *Exhibit D – Oakbrook Background*
- *Exhibit E – Key Commercial Background*
- *Exhibit F – Additional Solar Information*



RFQ FORM A

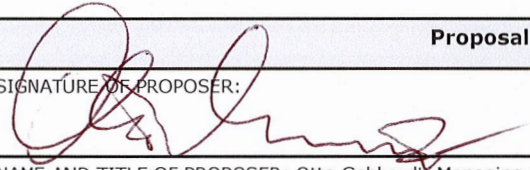
## SIGNATURE AFFIDAVIT

***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: 4/12/2019
NAME AND TITLE OF PROPOSER: Otto Gebhardt, Managing Member	COMPANY NAME: Gebhardt Development, LLC
TELEPHONE: (608) 260-4300	ADDRESS: 222 North St Madison, WI 53704
E-mail Address: gebhardtdevelopment@tds.net	
Person to Be Contacted If There Are Questions about Your Proposal (if different from above)	
NAME: Lee Christensen	TITLE: Development Manager
TELEPHONE: (608) 209-7568	E-mail Address: lee@gebhardtdevelopment.com

# Proposer Profile

**1. Proposing Company Name:****Gebhardt Development, LLC****2. FEIN 26-0404375**☐ Corporation ☐ Limited Liability Company ☐ General Partnership**3. Form of Organization:**☐ Sole Proprietor ☐ Unincorporated Association ☐ Other:\_\_\_\_\_.**4. Location of Main Office:**

ADDRESS:	CITY	STATE	ZIP
222 North St	Madison	WI	53704

**5. Location of Office servicing City of Madison account:**

ADDRESS	CITY	STATE	ZIP
222 North St	Madison	WI	53704

**6. Principal Information and Contact:**

NAME Otto Gebhardt III	TITLE: President
TEL (608) 260-4300	TOLL FREE TEL
FAX (608) 245-0770	E-MAIL gebhardtdevelopment@tds.net

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

NAME Lee Christensen	TITLE: Development Manager
TEL (608) 209-7568	TOLL FREE TEL
FAX	E-MAIL lee@gebhardtdevelopment.com

## PROPOSER REFERENCES

FOR PROPOSER:	Gebhardt Development		
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.			
<b>Organization Name</b>	Old National Bank		
<b>Project Name</b>	Gebhardt Building		
Address (include ZIP)	25 West Main St. Suite 200, Madison, WI 53703		
Contact Person	Karl Sachtjen	Phone No:	(608) 354-0599
E-mail:	Karl.sachtjen@oldnational.com	FAX:	
Contract Period	January 2017 to Current		
Services Provided	Lender for the Gebhardt Building		
<b>Organization Name</b>	American Family Insurance		
<b>Project Name</b>	Gebhardt Building		
Address (include ZIP)	6000 American Parkway, Madison, WI 53783		
Contact Person	LeeAnn Glover	Phone No:	(608) 242-4100 ext 31588
E-mail:	<a href="mailto:lglover@amfam.com">lglover@amfam.com</a>	FAX:	
Contract Period	January 2017 to Current		
Services Provided	Gebhardt Development was the Master Developer for the site of the Spark Building		
<b>Organization Name</b>	Wells Fargo		
<b>Project Name</b>	Galaxie		
Address (include ZIP)	90 South 7 <sup>th</sup> Street Minneapolis, MN 55402		
Contact Person	John Rent	Phone No:	(612) 667-2668
E-mail:	<a href="mailto:John.e.rent@wellsfargo.com">John.e.rent@wellsfargo.com</a>	FAX:	
Contract Period	February 2016 to Current		
Services Provided	Lender for the Galaxie Phase I & II		

## PROPOSER REFERENCES

FOR PROPOSER:	Gebhardt Development		
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.			
<b>Organization Name</b>	City of Madison		
<b>Project Name</b>	Constellation, Galaxie & Gebhardt Building		
Address (include ZIP)	215 Martin Luther King Jr Blvd 3rd Floor		
Contact Person	Matt Mikolajewski	Phone No:	(608) 267-8737
E-mail:	mmikolajewski@cityofmadison.com	FAX:	
Contract Period	2011 to Present		
Services Provided	RFP Awards to Gebhardt Development for Constellation, Galaxie & Gebhardt Building		
<b>Organization Name</b>			
<b>Project Name</b>			
Address (include ZIP)			
Contact Person		Phone No:	
E-mail:		FAX:	
Contract Period			
Services Provided			
<b>Organization Name</b>			
<b>Project Name</b>			
Address (include ZIP)			
Contact Person		Phone No:	
E-mail:		FAX:	
Contract Period			
Services Provided			



## **Introduction**

Gebhardt Development, in conjunction with Iconica, Redstone Solutions, Oakbrook Corporation and Key Commercial are pleased to submit this summary update for the redevelopment of the Block 88 in the Judge Doyle Square redevelopment.

Having been the developer of recent high profile projects in the Capitol East District with the Constellation, Galaxie, Starliner Condominiums and the Gebhardt Building, we are confident we can continue expanding the vision and goals for downtown Madison with the proposed mix of uses for the site that can positively impact the City of Madison's future.

The City of Madison has invested an enormous amount of energy and resources to develop Judge Doyle Square and Block 88. For a project to be successful the chosen project developer will need to successfully navigate through the City's RFP negotiation, development agreement and entitlement process. Gebhardt Development has a proven track record over the last ten (10) years of working with all interested parties and delivering highly successful projects.

As detailed in the following response, all involved parties are well experienced in this type of development project and our team is confident that we can provide the most value to the City of Madison in the identified timeline.

We sincerely thank you for your consideration

Respectfully.

Otto Gebhardt III  
Gebhardt Development





## Chapter 1

### **Legal Name of the Proposer for the RFP:**

Gebhardt Development, LLC (Single Purpose Entity to be established upon receipt of RFP)

Managing Member of Gebhardt Development, LLC and entities to be established is:  
Otto Gebhardt III

### **Key Entities:**

**Gebhardt Development** (Gebhardt) will serve as the developer and main equity source for the project. Gebhardt Development has successfully completed 3 major projects in the Cap East district over the past 7 years, including Constellation, Galaxie & The Gebhardt Building, all of which were previously City of Madison owned parcels and projects awarded via the RFP process. All 3 of these projects were also commercial condo projects, which block 88 will most certainly be as well.

Gebhardt is a real estate investment and development company. As mentioned above, our most recent projects include The Constellation, a 220-unit ultra-modern, high rise in Madison's Capitol East Corridor; The Galaxie, with 110,000 square feet of commercial space on the first three floors, 240 residential units, and Festival Foods which is a full-service Wisconsin family-owned grocery store. The portfolio also includes the Starliner Condos and Lofts, finalized in 2017 and the first new condominiums built in downtown Madison in over 10 years, which were extremely well received and sold out in early 2018. Finally opening in the fall of 2018, The Gebhardt Building features 100,000 square feet of office and retail space along with The Sylvee, a 2,500 person capacity music venue operated by Frank Productions.

Gebhardt is a Madison based, family owned business, founded by Otto Gebhardt III in 1995. City officials have recognized and awarded Otto's effort to create future forward projects that bridge neighborhoods and generations by providing a wide variety of housing and commercial spaces throughout Dane County the last 25 years.

### **Key Personnel:**

- **Otto Gebhardt III, President & CEO**  
Otto grew-up in Madison's east side Orton Park neighborhood in the real estate investment business. He started work at the age of 7 in the family run business Gebhardt Realty, made his first offer on a property at age 13, owned his first property by 18, and at 19 began more serious trading in the stock market. Otto's real estate portfolio is comprised of 1,500 commercial and residential units in the Madison and Sun Prairie areas of Dane County, including the University of Wisconsin-Madison downtown campus and Madison College's Truax campus. Otto's most recent projects include mixed-use, high rise developments on East Washington Avenue, The



Constellation, Galaxie and the newest project, The Gebhardt Building. Otto sees the Capitol East Corridor and downtown as opportunities to bridge Madison's Isthmus neighborhoods.

Otto's entrepreneurial adventures also included sixteen years as part owner of Quality Fitness, a family run, fitness equipment business with retail stores in WI, IL and FL. He has been active in several local civic and non-profit organizations over the years including five years on the board of directors for Greenwoods Financial Group.

- **Lee Christensen, Development Manager**  
Lee is responsible for the development process from concept to completion. Mr. Christensen works closely with Gebhardt's Principal in providing financial analysis for current and prospective projects, asset management and coordination of the development and commercial leasing process.  
A long-time resident of downtown Madison, he has 15 years of commercial real estate experience. He received both his bachelor's degree and MBA in Real Estate and Urban Land Economics from the University of Wisconsin-Madison. His role with the University has continued post-graduation as he currently serves on the board of The Graaskamp Center as well as the Board of Advisors of Applied Real Estate Investment Trust.
- **Mike Carter, Business Director**  
Mike oversees the day to day operations of the Gebhardt's Residential and Commercial portfolios.

**Iconica** will serve as the lead Architect, Engineer and General Contractor. They have a diverse and expert staff including registered architects, professional engineers (mechanical, electrical, plumbing and structural) and construction experts (estimators, construction managers, field superintendents and carpenters.) Iconica has designed and built projects up to \$120 million in size and typically averages around \$65 million of projects annually, much of it focused on multifamily and office construction.

With a team of over 80 professionals – registered architects and engineers, estimators, construction management, and quality control managers – they are masters of communication and integration. With all services under one roof and one management, their strength is ease of process and no finger pointing. They are passionate about their clients and their projects creating beautiful, usable spaces and getting it done right, on time, within budget.

#### **Key Personnel:**

- **Jim Pientka, President and CEO**  
Jim leads the design and construction teams helping them to capture the client's vision while preventing unnecessary costs. His 25 years of building industry experience and his business



education help him to efficiently and consistently meet aggressive project schedules and provide early accurate cost estimates. Jim's involvement during the design of projects ensures that construction will go smoothly.

- **John Seamon, Director of Design Strategy**  
John assists clients in the early stages of their projects to help determine site feasibility, program goals and design vision. John is responsible for ensuring the integration of the architectural process with the engineering and construction disciplines. His project experience ranges from residential to resort. John has been published in architecture, interior design and contractor magazines.
- **Isaac Wallace, Architect**  
Isaac works closely with our clients to understand their businesses and help set project goals. His opinions and experience are welcomed by our clients in evaluating options throughout the project. Additional responsibilities include overseeing the successful integration of architectural and engineering design with construction, while encouraging innovation in each project.
- **Brian Colby, Director of Pre-Construction Services**  
Brian brings over twenty years of experience with strengths in preconstruction, construction management and client retention. Brian is a member of our Leadership Team and has overall responsibility for all estimates for Iconica. His experience is enhanced with a BS in Architectural Engineering, including structural and environmental specialties, from the Milwaukee School of Engineering.
- **Patrick Egan, Structural Engineering Director**  
Patrick manages Iconica's Structural Engineering teams as well as geotechnical and civil consultants. His experience in integrating engineering, architectural and construction disciplines allows clients to target project dollars to areas that matter the most to them. Patrick also ensures proper detailing and application of materials and is responsible for the quality of the engineering plans and specifications.
- **Jeff Hyland, Construction Project Manager**  
Jeff oversees construction projects as a technical advisor to project teams, and resolves overarching schedule, cost, contract, and liability issues. He guides the Construction Project Managers and Superintendents to ensure consistency in areas such as communication, quality, and safety. His detail orientation and engineering background make him a great problem solver.



**Oakbrook Corporation** will serve as the manager for both market rate and affordable apartment as well as a consultant for the tax credit application and application to the City's Affordable Housing Trust Fund. They will also be relied upon for compliance with the section 42 Program and the Affordable Housing Trust Fund.

Oakbrook was founded on the basic principles and belief that diligence, a pro-active approach, and a principal-to-client relationship are fundamental to providing the highest, continuous, value-added service possible. Inherent in our philosophy are Oakbrook's core values, which we strive to achieve each and every day.

#### CORE VALUES

**INTEGRITY:** We strive to conduct ourselves in a professional manner that conforms to the highest standards of ethical behavior, honesty, and integrity. Delivering on our promises, assuming responsibility for our actions, and inspiring our clients' trust is our highest priority.

**CLIENT FOCUS:** Our clients' interests always come first. We are focused on creating long-term relationships by being responsive, pro-active, and consistently exceeding expectations.

**STEWARDSHIP:** Our clients entrust us to protect their investments and provide expert consultation. Our goal is to increase the value of our clients' assets above the value at the time our stewardship began.

**DISCIPLINE:** We employ a disciplined approach to our work. Through continuous education and research, we embrace the details and complexities of our business to produce consistent outcomes and achieve maximum results.

**EXCELLENCE:** We do our best to constantly justify our reputation for excellence. Our clients tell us that our people and our approach to business are what differentiate our firm over the long-term. This is an important part of our firm's character and we are committed to achieving the highest quality standards in all aspects of our business.

**COMMUNITY:** We encourage a positive work experience through communication and collaboration while providing the tools and training necessary for all our team members to be successful. We recognize and embrace our responsibility to give back to the communities in which we live and work.

#### **Key Personnel:**

- Michael L Morey, President
- Michael C Morey, Senior Vice President



**Redstone Solutions, LLC** will serve as a consultant to the project team for the project providing the project team with oversight.

**Key Personnel:**

- **Mike Slavish**

Mike has served as President of Hovde Properties, LLC the last 10 years before moving onto other opportunities in March of 2019. In his role he had full P&L responsibility for Hovde's current real estate investment portfolio, including sourcing all new development initiatives while leading a staff of 35 real estate professionals responsible for self-managing all residential, office and commercial properties consisting of over 1.5 million square feet. By year-end 2018, the total Hovde portfolio value had grown by 725% following the development team's first acquisition in 2010. During this same period, the portfolio size, gross revenues and net operating income all grew by more than 690%. In addition, the Hovde team secured over \$9M in TIF funding, \$7M in historic tax credits and \$2.5M in "brownfield" funding for various projects. In 2016 Hovde Properties, LLC was also awarded Downtown Madison Inc.'s company of the year award.

Prior to Hovde, Mike was the Director of Real Estate and Portfolio Manager for Hendricks Commercial Properties (HCP), the full-service real estate investment and development arm of ABC Supply Company, Inc., a privately held building material wholesaler with annual sales in 2008 of \$4.5B, net profit of \$200M, and 450 locations nationwide. During these eleven years the HCP-owned portfolio grew from \$75M to \$520M (593% increase) and generated \$52M in annual lease revenue and \$35M in net operating income. Before HCP, Mike spent the early part of his career working in numerous project manager and development roles in both the private and public sectors.

Mike received an MBA in Finance and Management from the University of Houston, a BS in Civil Engineering from the University of Illinois and a BA in Physics from Augustana College. He is a licensed Professional Engineer and Real Estate Salesman in the State of Wisconsin. He enjoys playing basketball, golf, waterskiing, snow skiing, hiking, furniture building, home renovation, Harley touring and vacationing with my wife, daughters and extended family.

**Key Commercial** will serve as the landlords representative for the commercial office portion of the project, marketing the office space to prospective tenants.

Founded in 2011, Key Commercial Real Estate was formed by merging two well-known and respected firms in the Madison, Wisconsin area. Gelbach Commercial Real Estate and Best Real Estate Group had built a reputation of straightforward, hardworking professionals providing the highest level of services for their clients. This merger now offers a dynamic team of experienced REALTORS® offering proven results – even in the most challenging real estate situations.





There is no cookie-cutter process at Key Commercial. Each transaction, no matter how large or small, will be offered tailored services to efficiently and effectively get the job done. Whether you are a small business looking for your first location, or a savvy real estate investor, each client will get our time, attention and complete dedication to getting the job done.

Our professional team of REALTORS® combines over 60+ years of commercial real estate experience, along with the most up to date tools to effectively serve you in any real estate transaction. Key Commercial also has extensive experience on both sides of the negotiating table, which ensures you the highest level of representation and service. We are dedicated to finding each client the right opportunities and solutions by using our suite of services to your advantage.

**Key Personnel:**

- Aimee Baumann, CCIM, CPA, Principal, Realtor
- Jenny Lisak, CCIM, Realtor

**SunPeak** will be assisting in providing a solar array for the roof of the project providing 57,600 kWh of renewable energy per year for the project.

SunPeak is a commercial solar Photovoltaic (PV) developer headquartered in Madison, Wisconsin. They have the capability to professionally assess feasibility, design & engineer, install, commission, and maintain solar systems that provide decades of emission free electricity from the sun throughout the United States with primary focus on the Midwest.

**Key Personnel:**

- Mack Gapinski, National Account Manager

**Project Organization Structure**

Otto Gebhardt will be the principal decision maker, will oversee the process and be the signatory to all agreements with the City. Interaction with city staff will be led by the Development Manager, Lee Christensen along with legal counsel and John Seamon providing assistance with entitlements and site plan approval.

All listed personnel have the capacity to complete negotiations with the city and handle the site plan approval process.



## Chapter 2

### Experience to successfully undertake the project

Gebhardt has successfully completed 3 large-scale mixed-use developments that were all City of Madison RFP's over the past 7 years.

**The Constellation**, completed in 2013, is a mixed-use building with 220 apartments, 30,000 square feet of retail/office and 280 parking stalls. 10% of the units are set aside for renters earning 60% or less of the Dane County median income. The retail/office portion of the project is 100% leased and the residential portion of the project is typically 97 – 98% occupied. The project used TIF proceeds from the City of Madison, Midwest



Disaster Bonds as well as traditional bank financing in the development of the project. The project was the first development within the Cap East District and paved the way for the redevelopment that has happened and continues to happen in this very important corridor in the City of Madison. The project was developed as a commercial condo with apartments being one unit, the retail/office being a second unit and the parking as a third unit.

**The Galaxie** is a 3-phase mixed-use project including 240 apartments, 43 condo's and live-work lofts, 60,000 square feet of retail/office space, 50,000 square feet full-service grocery and 598 parking stalls. Phases I & II of the project were completed in 2016 with Phase III, the Starliner Condominiums, being completed in 2017. The retail/office portion of the project is 99% leased, the apartments are 99% leased and the condos have all sold. The project used TIF



proceeds and traditional bank financing as the capital stack for the project. The Galaxie consists of multiple condo units and the Starliner Condominiums are condos within a condo. The project is complex and has components that are shared by all portions of the project, namely the parking. The Galaxie's addition of a full-service grocery store to the Isthmus fills a food desert in downtown Madison and has been very well received and extremely successful.



**The Gebhardt Building** is one portion of most recent RFP that Gebhardt won from the city of Madison. Completed in 2018, Gebhardt was the master developer for the site that currently is occupied by the Gebhardt Building and the Spark from American Family, which is the host of Starting Block Madison. The project was a joint venture with the City of Madison & Madison Parking Utility, who built the parking for the project in what is now known as the S.



Livingston St. Ramp. The Gebhardt Building itself was a joint venture with Frank Productions in order to build the Sylvee, a 50,000 square feet Music Venue with a capacity of 2,500, as well as 10,000 square feet of office space for Frank Productions. The balance of the Gebhardt Building is 100,000 square feet of retail office which was 100% leased prior to construction completion. The Gebhardt Building didn't receive TIF funds, but provided increased increment guarantees towards the TIF proceeds that were used to fund the Livingston St. ramp. The Gebhardt Building is a commercial condo building with 4 separate units that house the Sylvee, Frank Productions office, the front portion of the office building, and the office tower above the Sylvee. The Gebhardt Building utilized traditional bank financing but was built under 5 separate construction contracts due to the various condos being funded by different parties.

Gebhardt has no alleged significant prior or ongoing contract failures, contract breaches, tax delinquencies, nor any civil or criminal litigation or investigation pending within the last five years.

Gebhardt also has no known conflicts of interest with any other clients, contracts or property interests.



### **Iconica Experience:**

#### **306 W Main, Madison, WI**

The building, completed in 2015, consists of 12 total floors and 204,105 square feet. The lowest level (P2) and first level have 48 total parking stalls. The building structure is a post-tensioned concrete frame. The exterior walls consist of metal studs/gypsum sheathing, watershed material, and mostly metal panel veneer and some brick veneer. The building offers a total of 172 apartment units. There are two different finish packages for the apartments – traditional and industrial. In general, the finishes include plastic laminate cabinets, granite countertops, wood trim, polished concrete or wood floors, carpet, tile, paint, and appliances. Iconica provided full architectural, engineering and architectural construction administration services.



#### **Eagle Point Senior Living, Appleton, WI**

Iconica provided architecture, engineering and construction services for Tealwood Senior Living, The Alexander Company, and Tukka Properties to bring this 143,000 square feet senior housing project to Appleton. The 7.5-acre site is located on the Fox River, conveniently close to downtown Appleton. The project has 98 independent and assisted living apartments and is designed for residents wanting active lifestyles. The basement includes a wellness suite, consisting of a salon, spa, fitness area, and exam room, while the main level includes a two-story bistro with views of the river. Other amenities include a library, family game room, arts and crafts room, theater, wine cellar, and general store. For those who prefer outdoor activities, there are also grilling areas, a pedestrian path, putting green, bocce ball, and shuffleboard courts.







### **Longfellow Lofts, Madison, WI**

This 133-apartment project is part adaptive reuse of an historic school building and part new apartment building in downtown Madison. Iconica provided construction and engineering services for both projects and architecture for the new portion. Built in 1917, Longfellow School served Madison, Wisconsin, for almost a century and was listed on the National Register of Historic Places before being converted into unique living quarters. Iconica worked with UDC, Landmarks Commission, SHPO and NPS reviews parts 1-3. Historic features were painstakingly restored, including the original hardwood floors, chalkboards, woodwork, bookcases, trophy cases, lockers, and even several basketball hoops.



### **Sauk Trails Plaza II, Madison, WI**

Completed at the end of 2017, Sauk Trails Plaza II is a five-story, 160,000 square foot office building designed and built by Iconica. The building sits on one of the few remaining parcels of land in Old Sauk Trails Park at 1255 Fourier Drive. It is timelessly clad in granite and glass and is the sister building to Sauk Trails Plaza, completed in 1997. The building has a spacious fitness facility and an outdoor patio area with landscaping designed to complement the curvature of the building. Sustainable features include a VRF (Variable Refrigerant Flow) heating system, radiant floor perimeter heat, occupancy sensors and all LED lighting along with many other design features to save energy, and improve water efficiency and air quality. Due to energy efficient design, the new building has saved more than \$77,000 per year in energy costs.







## Chapter 3

### **Project Summary**

Gebhardt proposes the purchase of the Air Rights over the podium, the 2-story parking and retail in the podium. Atop the podium our team proposes to build 26,000 square feet of job creation/office space and amenities, 78 workforce housing units that would be priced at 60% of Dane County median income (CMI) limit, and 118 market rate apartments.

The 78 workforce housing units will be its own condo unit within the structure, benefiting the development in two ways. First, it makes the tax credits more marketable to tax credit investors, and secondly, it allows the manager to use a new income averaging approach to marketing the units. Income averaging allows the manager to select applications from renters in the 20% CMI to 80% CMI provided that the average does not exceed 60% CMI.

The workforce housing units would seek to be funded through a combination of the 4% non-competitive low-income housing tax credits and \$1.75 million from the City's Affordable Housing Trust Fund. The benefit to this approach is that it is far more likely to succeed as it is non-competitive and will allow construction of the project to proceed immediately following the completion of the entitlement process. Meanwhile the tax credit application process can proceed concurrently, without delaying the construction start.

### **Green Building Practices:**

- Base building design and structure is anticipated to be made from Mass Timbers a renewable material that is lighter than concrete and steel, requires fewer construction deliveries and is assembled substantially faster than traditional building methods. See the Benefits of Mass Timbers section following this chapter.
- Building will be designed to be LEED certified equivalent, targeting the Silver level
- Green roof and storm water retention will be incorporated into the design as well as grey water reuse on site for irrigation, all contributing to reduced stormwater runoff
- Working with Sunpeak to provide a solar array on the upper roof of the project
- Focus on energy incentive and reporting coordination

### **Project consists of the following objective:**

Maximize the financial return to the City of Madison while providing workforce housing as a portion of the project in a highly sustainable building. Expanding the footprint of the building allows the project to create greater value for the City of Madison. This project will create greater tax base than the original proposal and provide 78 workforce housing units, generating nearly \$750,000 in annual property taxes at project stabilization, nearly double what the previous proposal would create.

**Proposed Development Components:**

- 78 Workforce housing units
- 118 Market Rate Units
- 22,600 square feet Commercial office space
- Courtyard with 5,310 SF of Green roof, Patio and dog run
- 7,060 SF of rooftop patio and green roof.
- Rainwater harvesting with 8,000 gallons of storage for greywater use in the building
- 8 Floors Cross-laminated Timber (CLT) for maximum exposure as structural floors
- 8 Floors of Mass timber (MT) for maximum exposure as columns and beams
- 1,800 SF Community room for residences
- 2,000 SF Fitness center

**Project Goals:**

- Provide a sustainable long-term development designed for multimodal transportation options while incorporating additional amenities to enhance the use of the property
- Maximize the tax base for the City of Madison
- Provide Workforce Housing in the heart of downtown
- Create a mix of uses that can most efficiently take advantage of the site and the amount of parking allocated to the project.
- Provide construction jobs and long-term professional employment in the downtown

**Project Budget**

- \$50,000,000 including purchase of podium and air rights

**Project Schedule:**

- RFP Selection - June of 2019
- Final deal negotiations for purchase of air rights and podium – June – July 2019
- Neighborhood engagement - July 2019
- Start application process for the 4% federal section 42 tax credit program
- Execution of Development Agreements - August 2019
- City of Madison Entitlement process - August 2019 – October 2019
- Construction Start – November 2019 (16-month timeline)
- Construction completion and occupancy April 2021

**Proposed Organizational Structure:**

The property would be set up similar to how the Constellation, Galaxie and Gebhardt Buildings have been structured as commercial condominiums with the Retail, Parking, Office, Workforce Housing & Market Rate apartments all being separate units within the larger condominium structure.



## Architecture

The primary goals of the project are simple. Develop a design solution that:

- Meets or exceeds the program to enhance the community
- Brings a level and type of sustainable design not previously seen in Madison
- Recognizes and respects the Madison Municipal building
- Unify the 'tower' and the 'podium' to read as a singularly conceived design.

The architectural design is focused on responding to the essential form of its neo-classical neighbor and creating a congruent response to the previously designed 'Podium'. Achieving a congruent relationship to the Madison Municipal building was approached by general form and primary elements. The primary form of the 9 story tower is a purely orthogonal and symmetrical U-shape tower with its courtyard oriented south west to increase daylighting. The Madison municipal buildings traditional vertical elements or part of a rusticated base, middle and top was the most impactful area to focus on if we were going to create an analogous response. We considered the previously designed podium as an abstract 'rusticated base' upon which our tower would be an extended piano nobile or middle. The top was then conceived as a crisp, cleanly articulated roof line by extended horizontal planes and detail provide by modern guard rail systems along the perimeter of the roof. A modern recognition of the tightly spaced freestanding colonnade along the perimeter of the roof of the municipal building.

Our 5<sup>th</sup> floor is considered the floor of transition. This commercial floor is shaped in part, as an extrusion of the curved form and materials of the podium along south Pinkney street. Materially, the extensive areas of curtain wall and storefront along the curved façade of South Pinkney, effectively become a vertical extension into the tower, to provide a visually uninterrupted column of glass to the roof. Similarly, the podiums central monolithic planar forms that contain pedestrian entrances to the garage along East Wilson and East Doty elevations were extended to the new commercial floor. These extensions also received punched windows with proportions reminiscent of the municipal building to more formally provide a top to the form and accommodate daylighting into the office space. Elsewhere on the 5<sup>th</sup> floor we stepped back our footprint to introduce the new form of the residential tower above.

We also chose to introduce 2 strong vertical braces, clad in masonry veneer along the primary façade. Our intention is to more strongly tie the entire 13 stores together, emphasize the A-B-A symmetry along that façade and allow some of the large format masonry to have a tactile and visual presence as it so clearly does in the municipal building. We would also propose the same masonry veneer on the monolithic planes along East Wilson and East Doty. The remaining portion of the tower envelope would utilize, insulated glass in aluminum frames, Longboard-wood grain siding and concealed fastener metal panel. Our two roof tops would be accessible. The plans include a draining dog run system, pavers, green roof trays, large format planting vessels and interior and exterior roof top meeting and gathering areas.

## Structure

The primary goals driving the engineering solution for the 'tower' project are to:

- Maximize the capabilities of the 'tower' based on the capacity of the existing 'podium' structure.
- Develop a unique and creative engineering solution to a traditional design question.
- Raise the level of engineering in the greater Madison area by creating an engineering solution that is a benchmark project for our community.



The structural design is focused on addressing three challenges:

1. Maximizing what can be developed above the existing podium structure.
2. Maximizing construction efficiency in an urban environment.
3. Maximizing building performance while maintaining cost-effectiveness

To achieve the goals of the project and meet the challenges outlined above an engineering approach utilizing new technology has been developed for the project. This approach utilizes a combination of steel core framing at elevator and stair towers to resist lateral forces and mass timber construction to support floor and roof loads. The structure will begin as a steel framed structure on the fifth floor, the lowest level of the tower, to create and open commercial space with a taller floor to floor height consistent with modern office buildings. From the sixth floor and above the framing system will switch to CLT floor panels and mass timber beams and columns exposed to view at the perimeter bays of those floors.

By switching to CLT and mass timber the number of floors the tower can contain can be maximized due to the efficient floor profiles and lighter weight of the structure. The CLT and mass timber system is approximately 60 percent lighter than traditional flat slab concrete structures, including post tensioned concrete systems. This allows almost two floors of CLT/mass timber floors to be built for every floor of precast concrete in terms of building weight added to the podium structure. With the lighter weight of structure the area on the west side of the podium are more easily reinforced to handle the additional load of the tower above. The extent of reinforcing will need to be refined further, however initial analysis of the structure indicates that reinforcement would be limited to footings and columns at the western most end of the podium, this would include extending columns on grid line B up to the underside of level 5. No reinforcing of floor slabs is anticipated.

The steel core providing lateral resistance for the tower will consist of fire proofed steel braced frames located above the existing concrete stair and elevator cores. This construction method allows for lighter loads on the existing podium while reducing erection time. The towers can be built at one time along with the framing for the fifth floor and then transition to CLT and mass timber. This allows the construction team to erect the building in a continuous process without having to start and stop for concrete pours and curing times before proceeding with the next level of framing. The result is a building that is erected quicker and with less disruption to the downtown Madison community. In the end the resulting product is a modern structure with the warmth of timber; the efficiencies of steel where maximum performance is needed most; a structure that maximizes what can be done above the existing podium structure, and a unique engineering solution unlike any other in Madison.



## **Benefits of Mass Timbers**

### **Thermal performance and energy efficiency:**

Because the panels are solid, there is little potential for airflow through the system. As a result, interior temperatures of a finished Cross-Laminated Timber (CLT) structure can be maintained with just one-third the normally required heating or cooling energy.

Source: A Strategic Plan for the Commercialization of Cross-Laminated Timber in Canada and the US, Canadian Wood Council, 2010

### **Environmental advantages:**

Wood is the only major building material that grows naturally and is renewable, and life cycle assessment studies consistently show that wood outperforms steel and concrete in terms of embodied energy, air pollution and water pollution. It also has a lighter carbon footprint— because wood products continue to store carbon absorbed by the trees while growing, and wood manufacturing requires less energy and results in less greenhouse gas emissions.

Source: The Environmental Performance of Renewable Building Materials in the Context of Residential Construction, Bowyer, J., D. Briggs, B. Lippke, J. Perez-Garcia, Consortium for Research on Renewable Industrial Materials (CORRIM), 2005; Life Cycle Environmental Performance of Renewable Building Materials in the Context of Residential Construction, Phase II, Lippke B., L. Johnson, J. Wilson, M. Puettmann, CORRIM, 2010; Synthesis of Research on Wood Products & Greenhouse Gas Impacts, 2nd Edition, Sarthe R., J. O'Connor, FPInnovations, 2010

### **Less waste:**

CLT panels are manufactured for specific end use applications, which results in little to no job site waste. Plus, manufacturers can reuse fabrication scraps for stairs and other architectural elements, or as biofuel.

### **Cost effectiveness:**

In a 2010 study by FPInnovations, researchers compared the cost of CLT versus certain concrete, masonry and steel building types. While the advantages of faster construction time and lower foundation costs were not accounted for, the estimated cost of a U.S.-built CLT structure was found to be particularly competitive for mid-rise residential (15 percent less), mid-rise non-residential (15 to 50 percent less), low-rise educational (15 to 50 percent less), low-rise commercial (25 percent less), and one-story industrial buildings (10 percent less).

Source: Cross Laminated Timber: A Primer, Crespell, P., S. Gagnon, FPInnovations, 2010



**Construction Efficiency:**

Mass timber is fast and that speed translates to not just revenue but also brings added benefits to the project, site and those affected by it. Bernard Gafner of structural engineering firm Fast + Ep, says that in his firm's experience, a mass timber project is approximately 25 percent faster to construct than concrete. Noting advantages to urban infill sites in particular, he says it also offers 90 percent less construction traffic (trucks delivering materials) and requires 75 percent fewer workers on the active deck, making for a quieter site.

Source: <https://www.awc.org/pdf/education/des/ReThinkMag-DES610A-MassTimberinNorthAmerica-161031.pdf>

**Further Research:**

At this time the team has not had enough time to properly vet the cost and constructability of using CLT in the Block 88 project. Final structure type may vary depending on the outcome of further research by the team.





Judge Doyle Project - Block 88

RENDERING

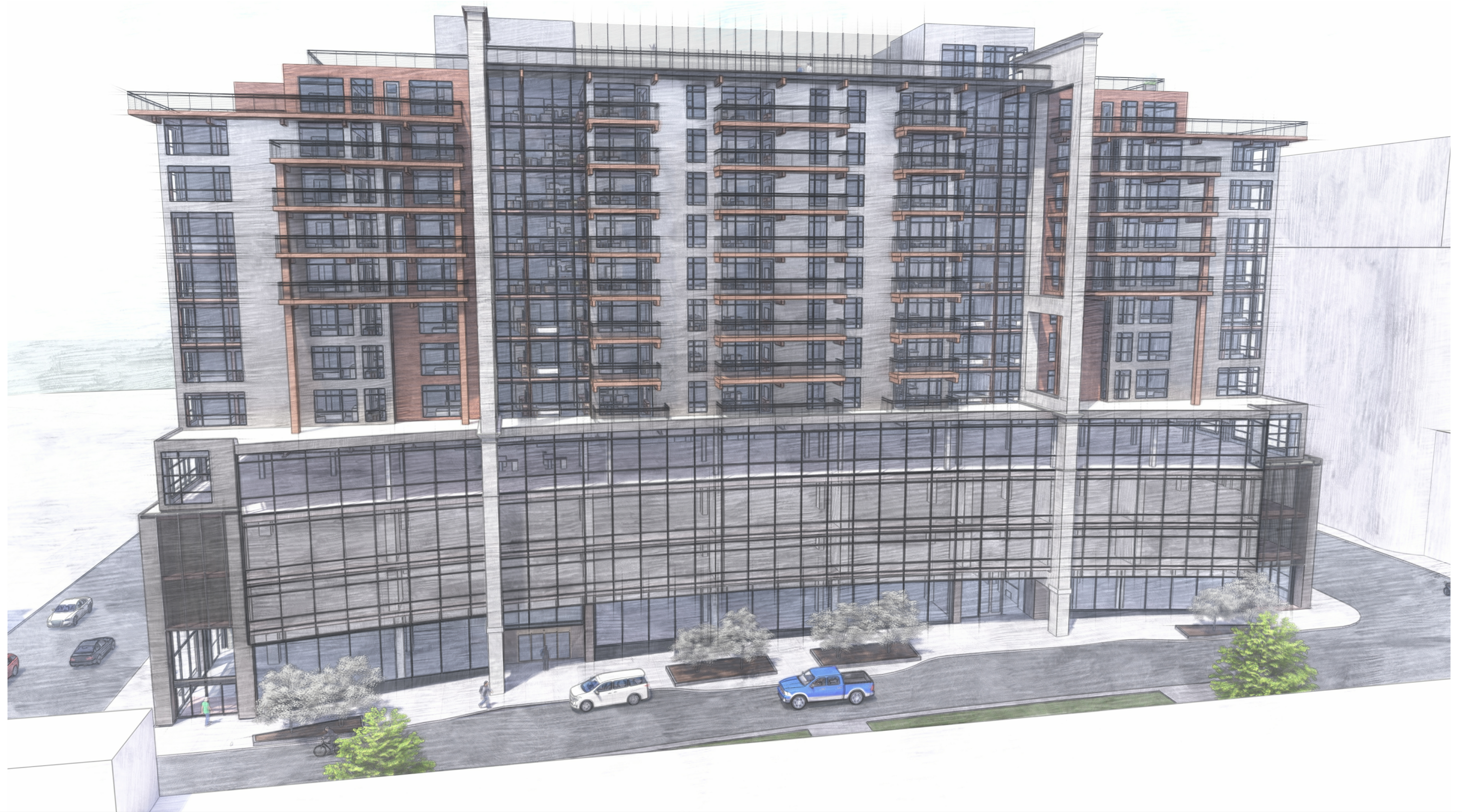
Madison WI

04/12/2019



Copyright © 2019 by Iconica All Rights Reserved  
4/12/2019 1:17:29 AM





Judge Doyle Project - Block 88

Madison WI

04/12/2019

RENDERING





Judge Doyle Project - Block 88

Madison WI

04/12/2019

RENDERING





Judge Doyle Project - Block 88

RENDERING

Madison WI

04/12/2019



Copyright © 2019 by Iconica All Rights Reserved  
4/12/2019 1:17:40 AM





Judge Doyle Project - Block 88

RENDERING

Madison WI

04/12/2019





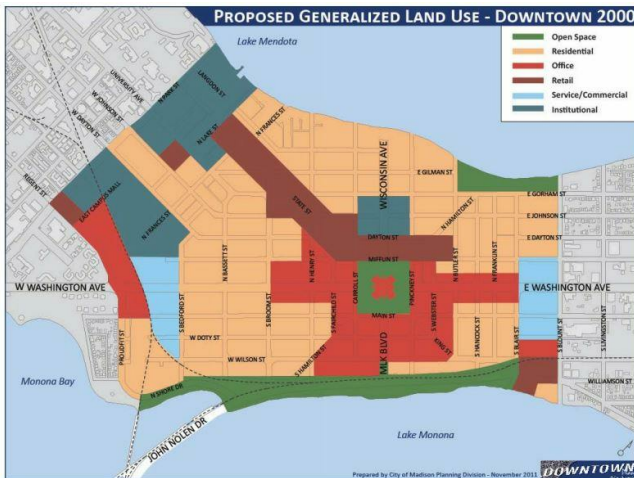
Judge Doyle Project - Block 88

Madison WI

04/12/2019

RENDERING





**SITE LOCATION**  
1/2" = 1'-0"

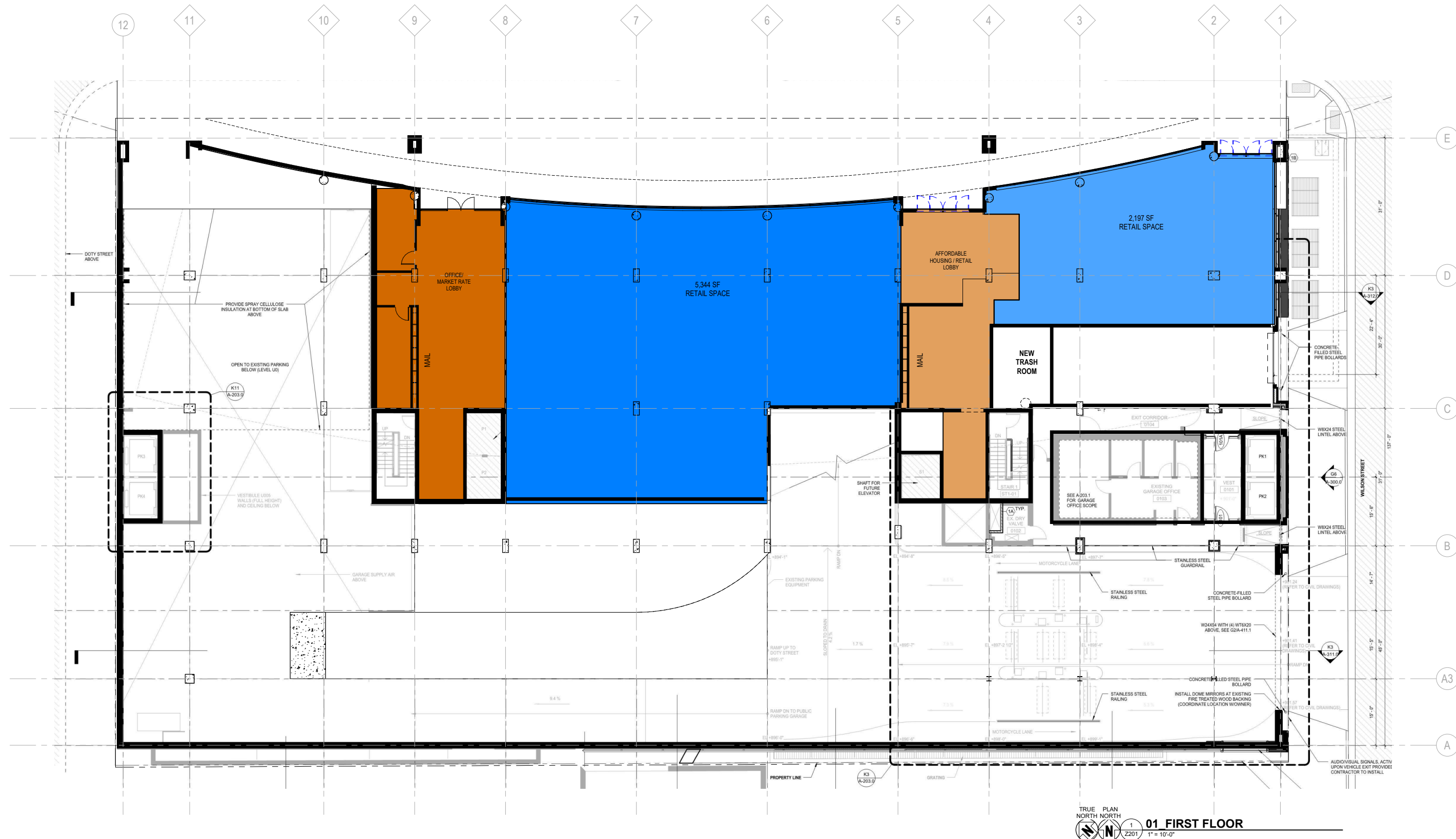
## Judge Doyle Project - Block 88

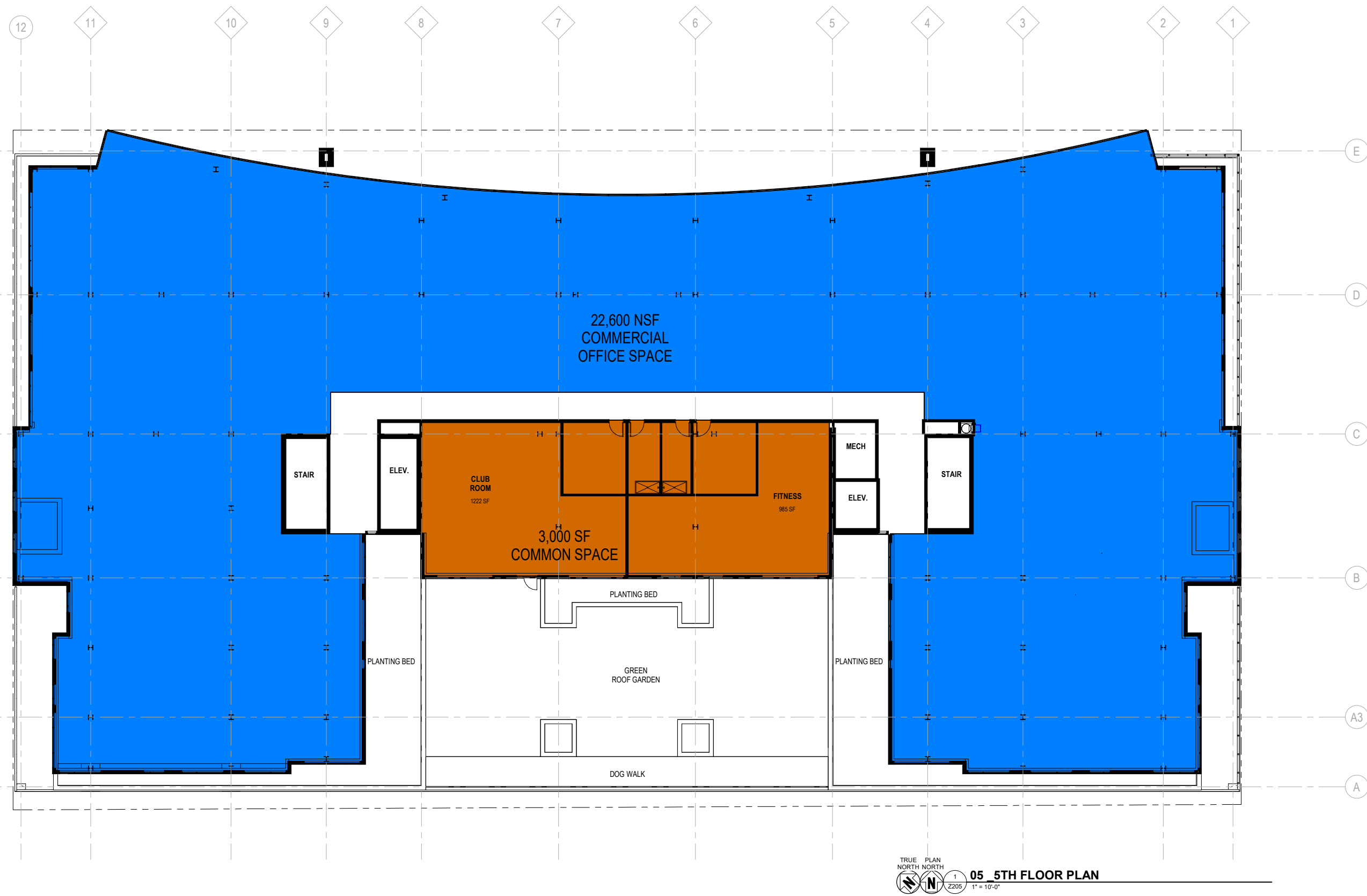
Madison WI

04/12/2019

## SITE ANALYSIS







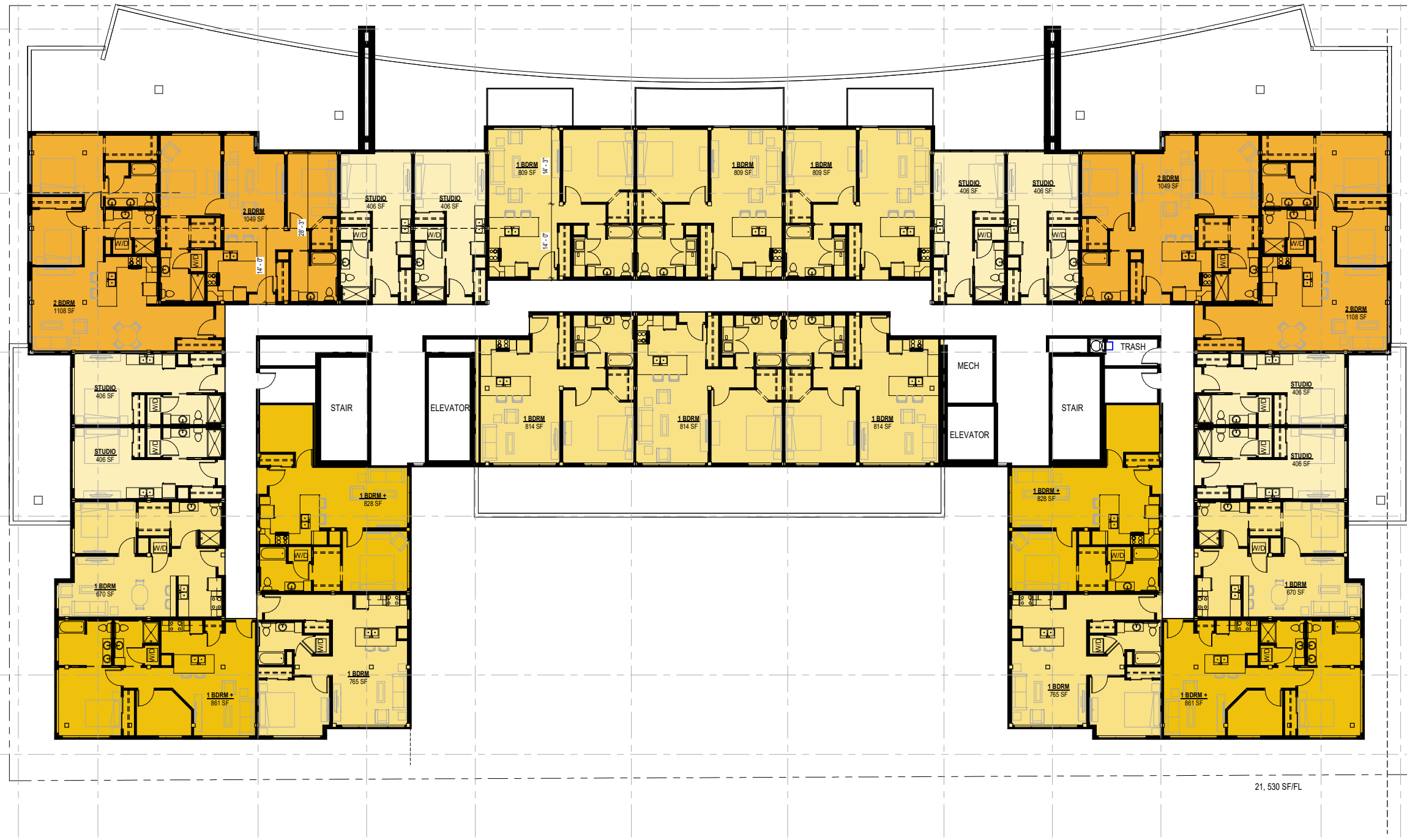
TRUE PLAN NORTH NORTH  
1 2205  
05\_5TH FLOOR PLAN  
1" = 10'-0"

Judge Doyle Project - Block 88

## 5TH FLOOR PLAN

Madison WI

04/12/2019



TRUE PLAN  
NORTH NORTH  
1 2206  
06\_6TH FLOOR PLAN  
1" = 10'-0"

Judge Doyle Project - Block 88

Madison WI

04/12/2019

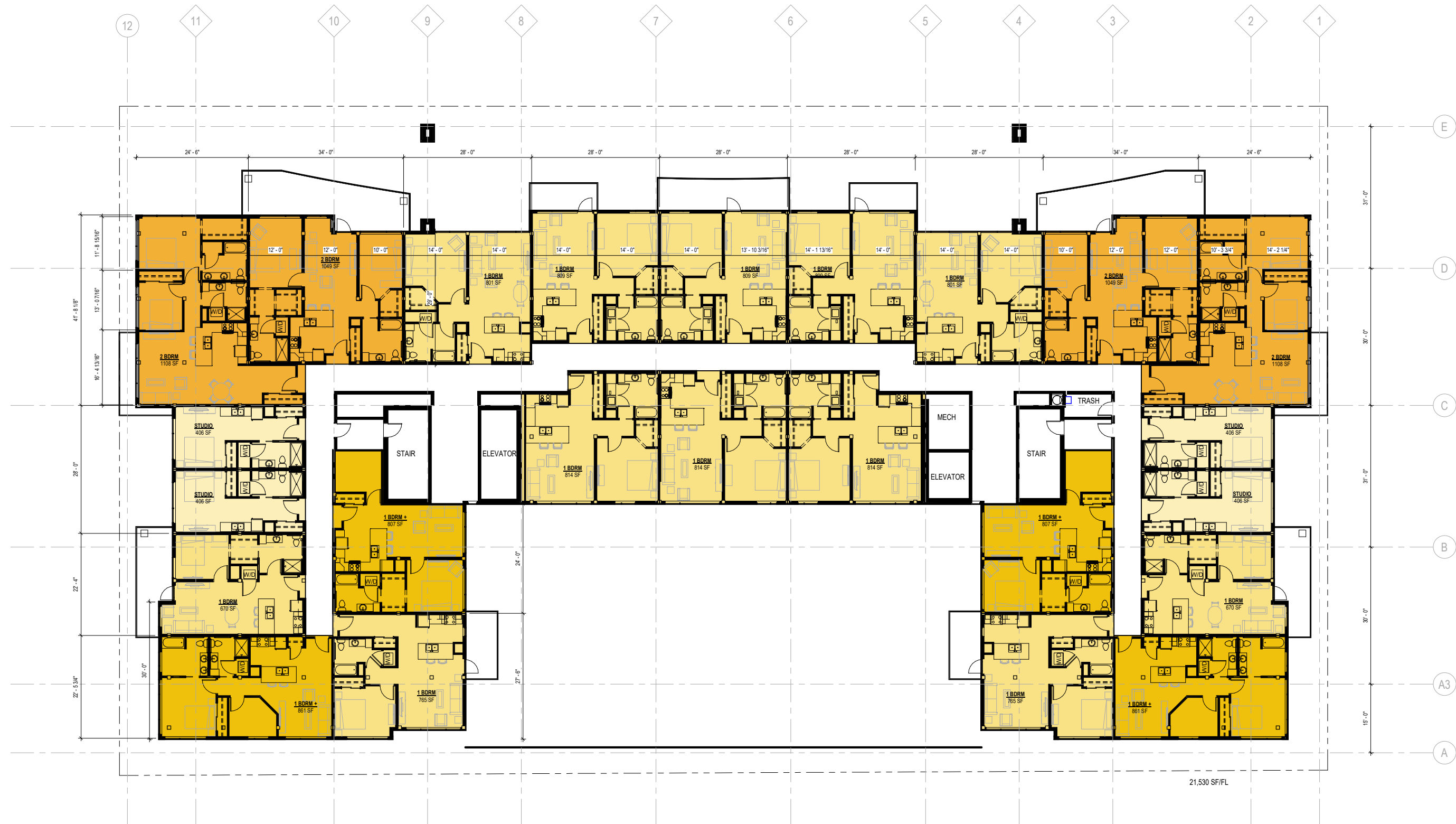
## 6TH FLOOR PLAN

7TH & 8TH FLOOR SIMILAR - 26 UNITS PER FLOOR



901 DEMING WAY / MADISON, WI 53717  
PH: 608.864.3588 / FAX: 608.864.3535  
CONTRACT@ICONICA.COM

Copyright © 2019 by Iconica All Rights Reserved  
4/12/2019 12:30:51 AM



TRUE PLAN  
NORTH NORTH  
1 09 9TH FLOOR PLAN  
1" = 10'-0"

10TH - 13TH FLOOR SIMILAR - 24 UNITS PER FLOOR

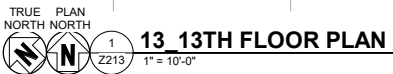
Judge Doyle Project - Block 88

## 9TH FLOOR PLAN

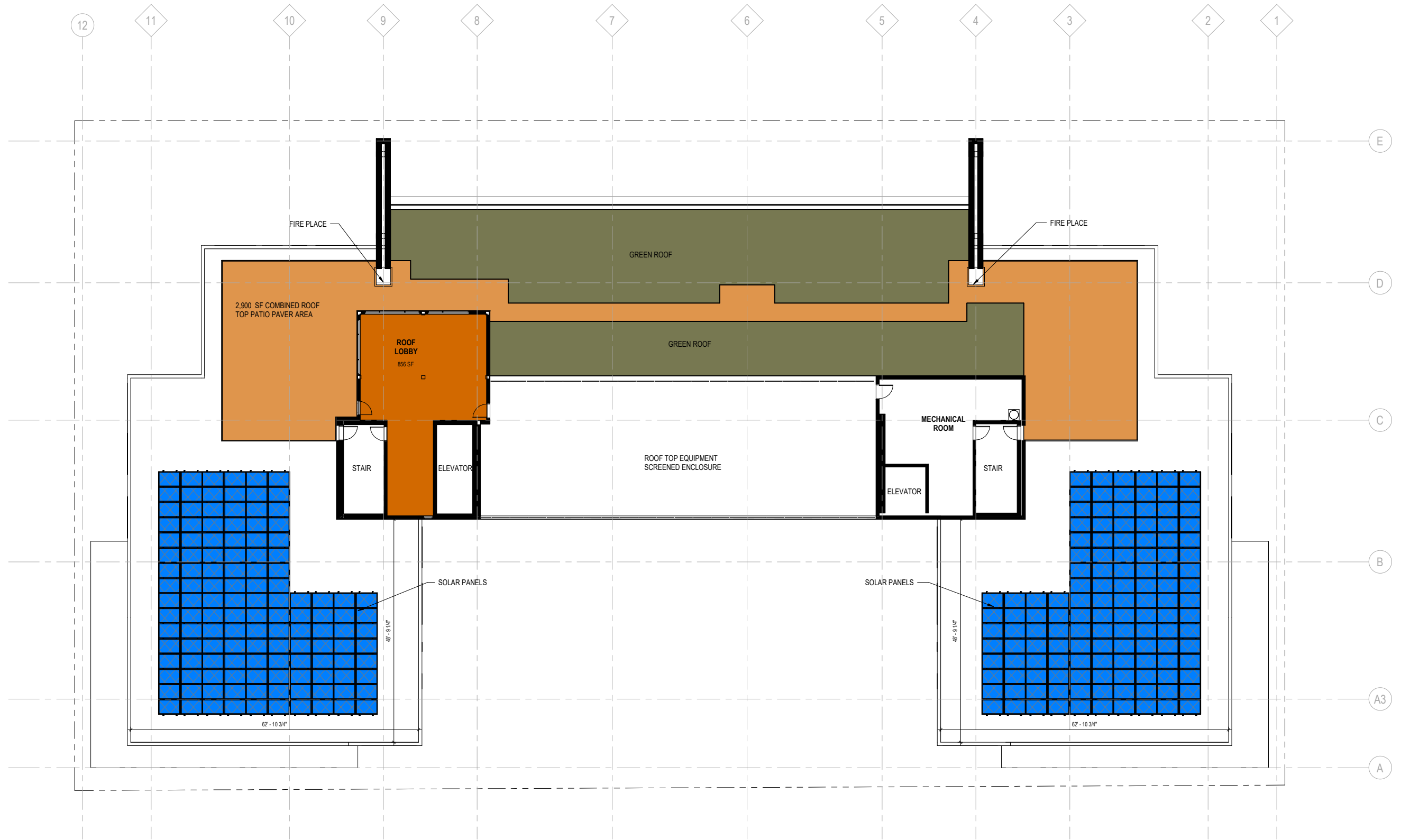
Madison WI

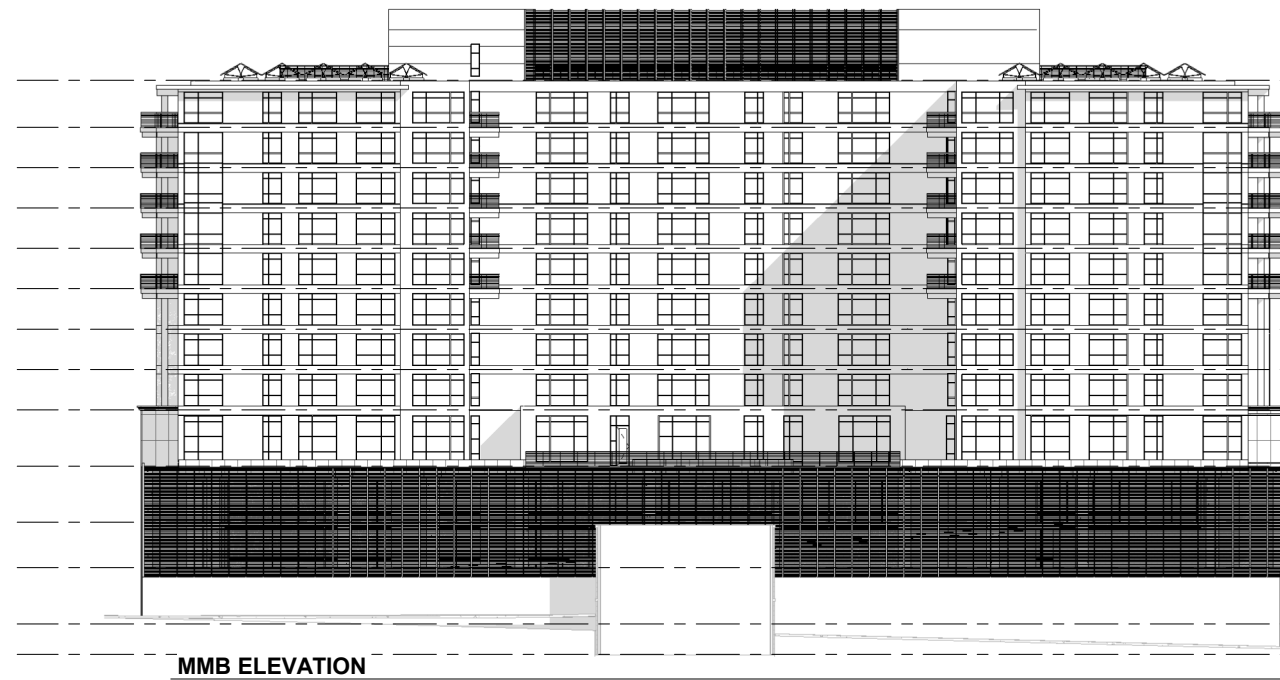
04/12/2019



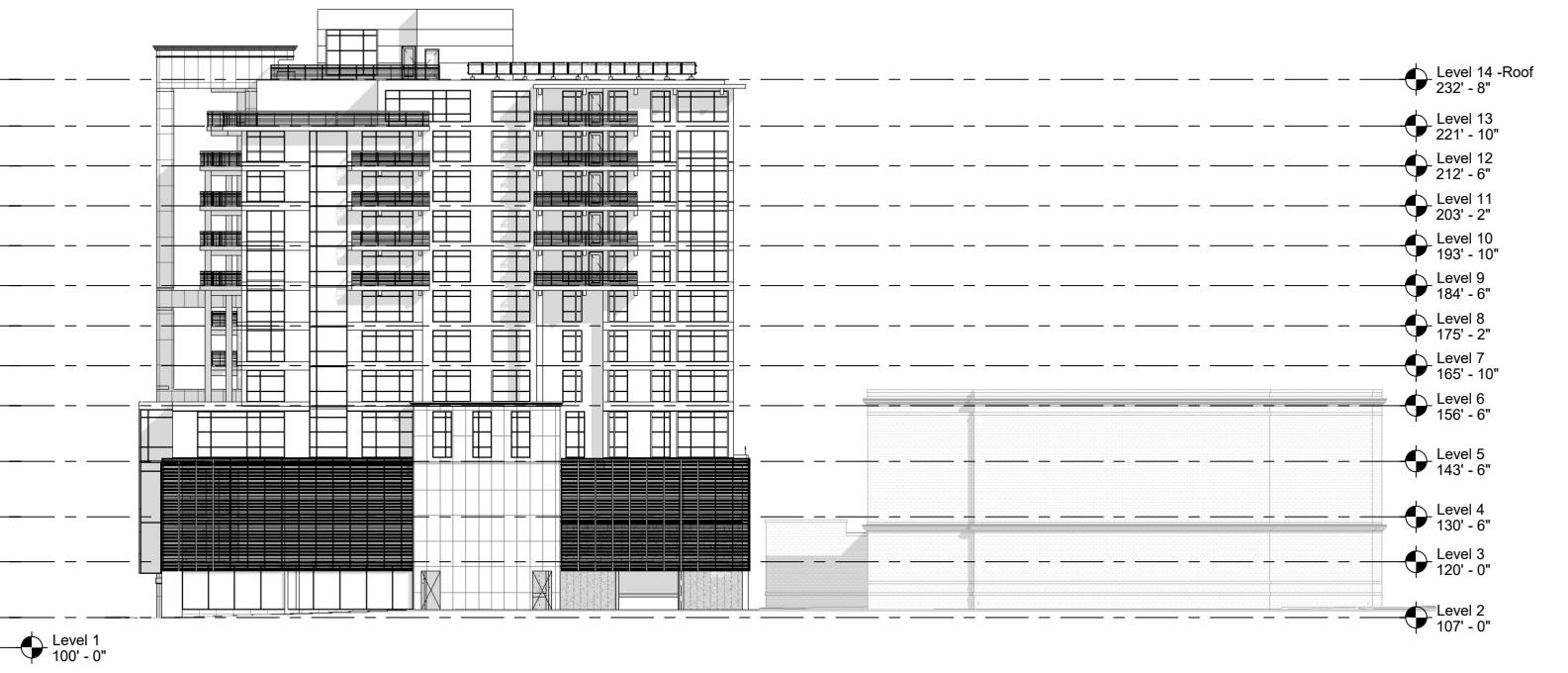


## 13TH FLOOR PLAN



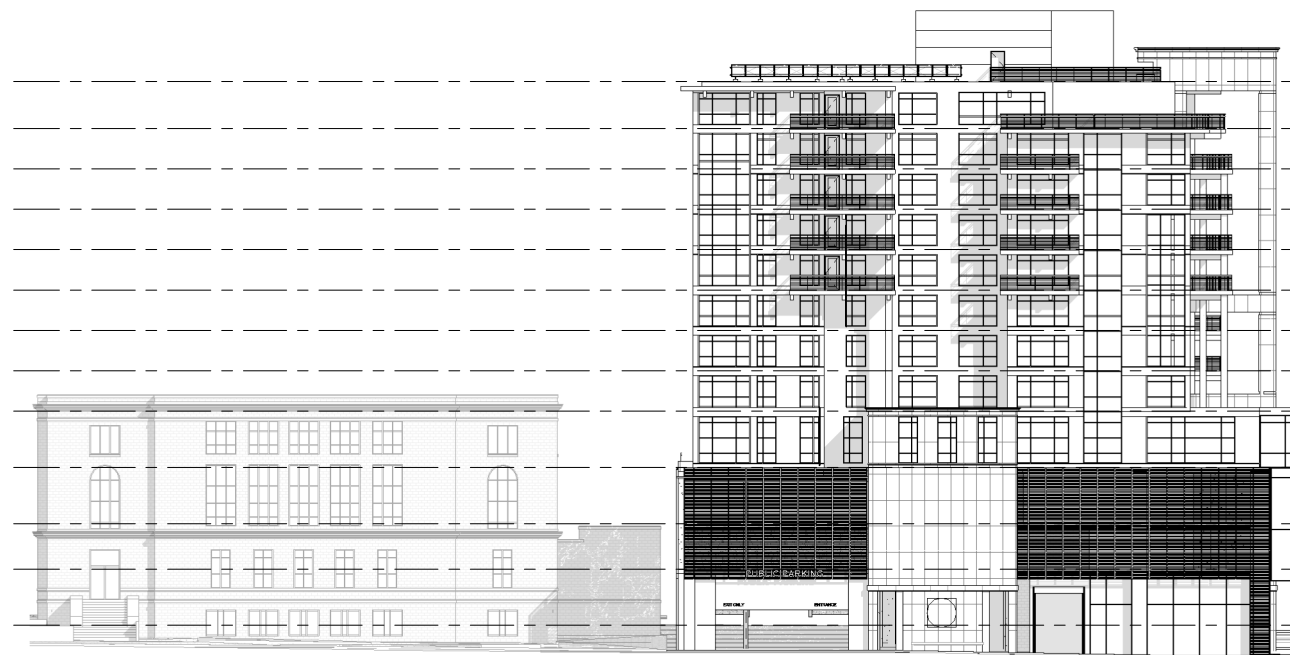


**MMB ELEVATION**  
1" = 20'-0"

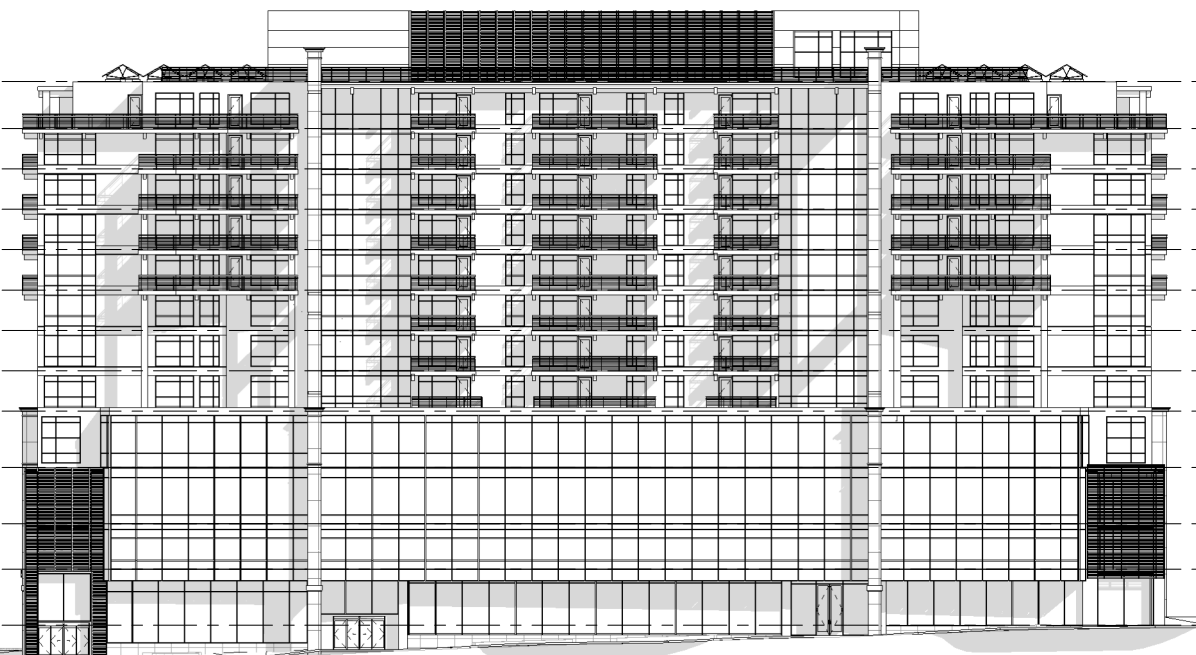


**E DOTY ST ELEVATION**  
1" = 20'-0"

- Level 14 -Roof  
232' - 8"
- Level 13  
221' - 10"
- Level 12  
212' - 6"
- Level 11  
203' - 2"
- Level 10  
193' - 10"
- Level 9  
184' - 6"
- Level 8  
175' - 2"
- Level 7  
165' - 10"
- Level 6  
156' - 6"
- Level 5  
143' - 6"
- Level 4  
130' - 6"
- Level 3  
120' - 0"
- Level 2  
107' - 0"



**E WILSON ST ELEVATION**  
1" = 20'-0"



**S PINCKNEY ST ELEVATION**  
1" = 20'-0"

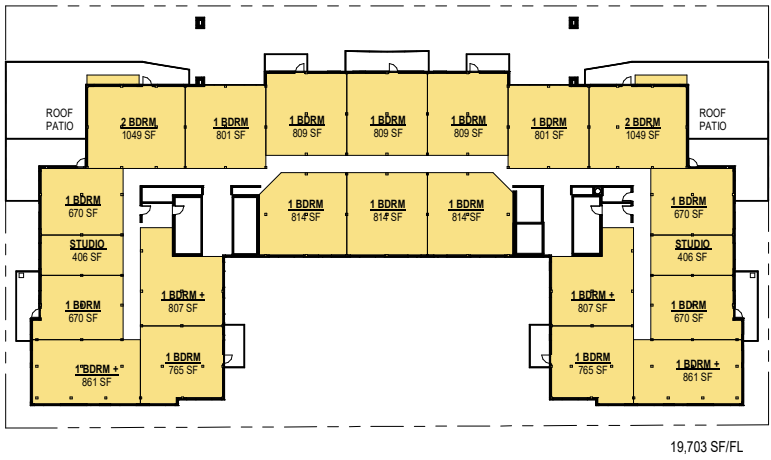
- Level 14 -Roof  
232' - 8"
- Level 13  
221' - 10"
- Level 12  
212' - 6"
- Level 11  
203' - 2"
- Level 10  
193' - 10"
- Level 9  
184' - 6"
- Level 8  
175' - 2"
- Level 7  
165' - 10"
- Level 6  
156' - 6"
- Level 5  
143' - 6"
- Level 4  
130' - 6"
- Level 3  
120' - 0"
- Level 2  
107' - 0"
- Level 1  
100' - 0"

Judge Doyle Project - Block 88

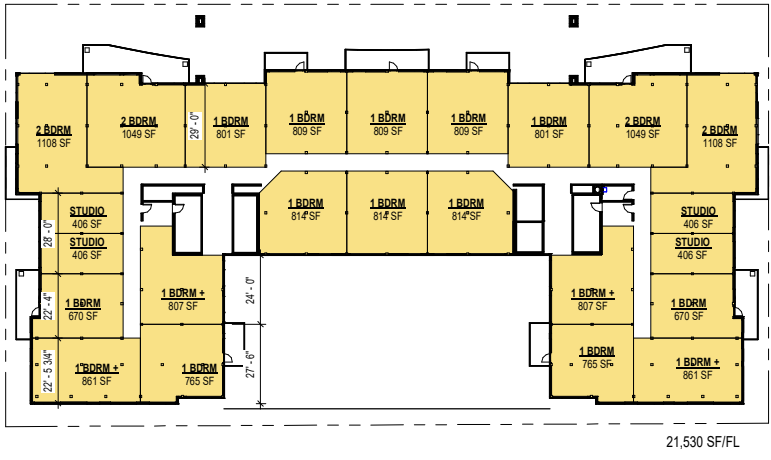
Madison WI

04/12/2019

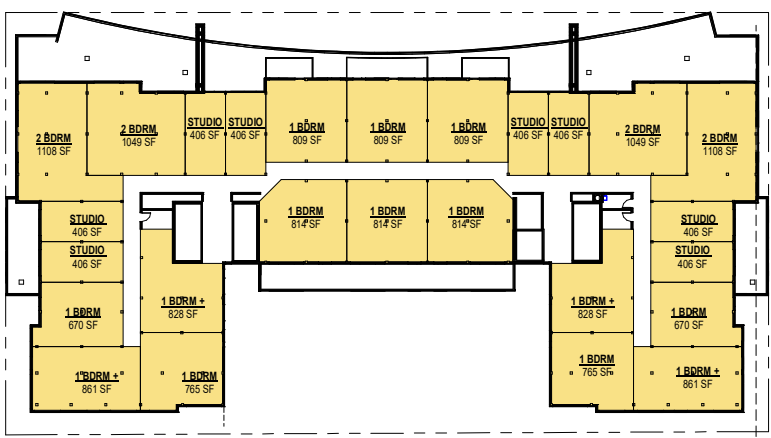
## ELEVATIONS



13TH FLOOR PLAN  
1" = 30'-0"



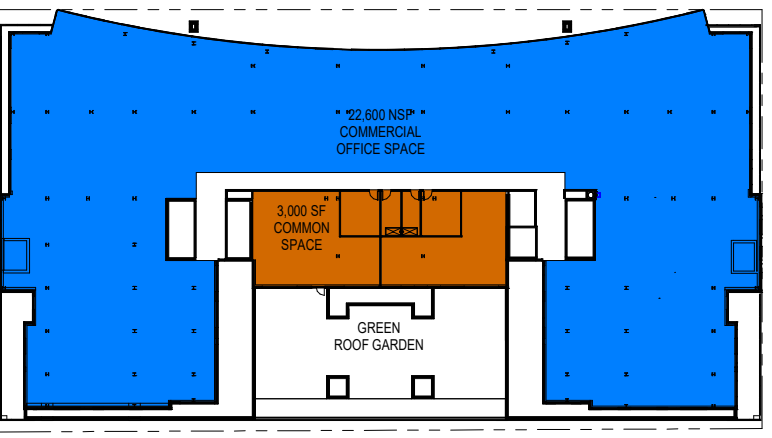
9TH FLOOR PLAN  
1" = 30'-0"  
10TH - 12TH FLOOR SIMILAR - 24 UNITS PER FLOOR



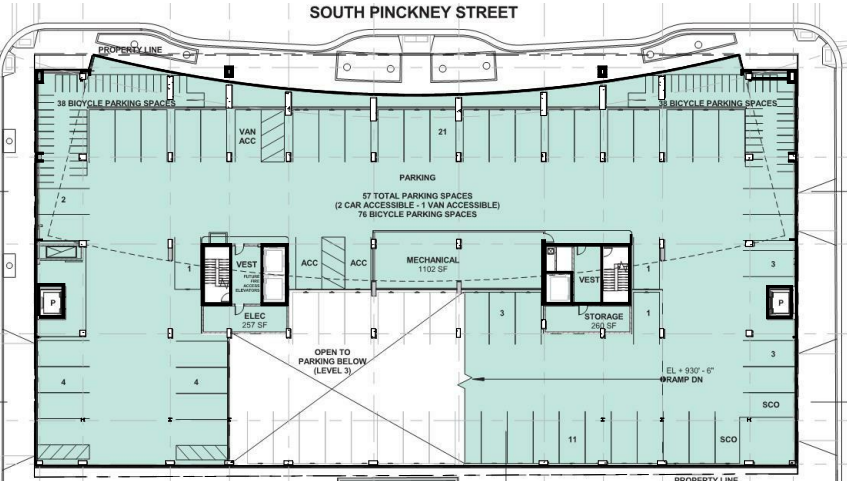
6TH FLOOR PLAN  
1" = 30'-0"  
7TH & 8TH FLOOR SIMILAR - 26 UNITS PER FLOOR  
191,943 GSF TOTAL

MARKET RATE TOTAL			
Unit Type	#	Area	Total Area
2BDRM	8	1108	8864
2 BDRM	10	1049	10490
1 BDRM +	10	861	8610
1 BDRM +	10	828	8280
1 BDRM	15	814	12210
1 BDRM	15	809	12135
1 BDRM	10	801	8010
1 BDRM	10	708	7080
1 BDRM	12	670	8040
STUDIO	18	406	7308
TOTAL	118		91027
AVERAGE		771.41525	

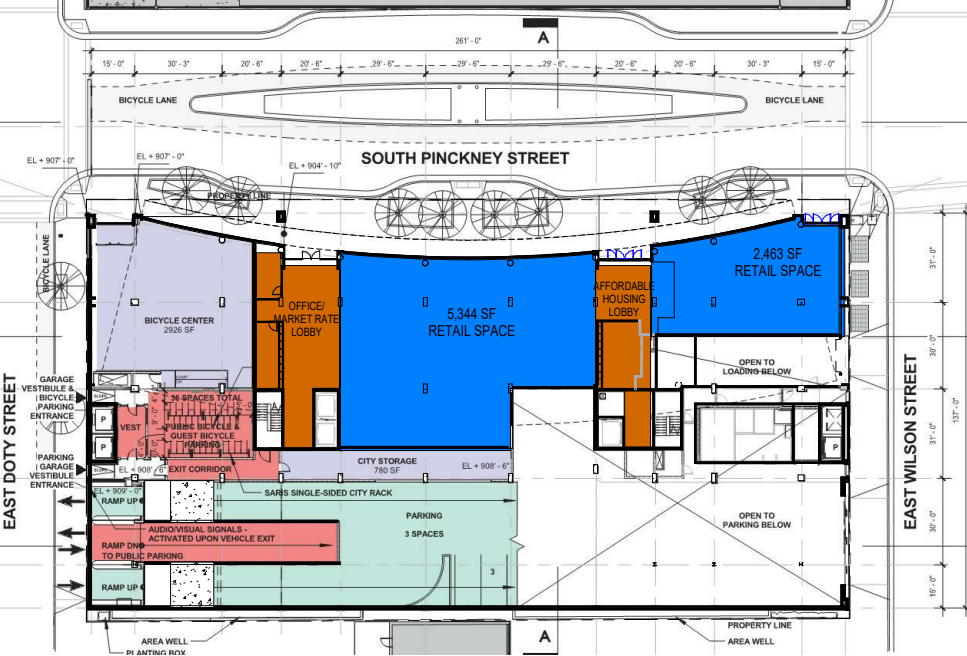
AFFORDABLE UNIT MIX TOTAL			
Unit Type	#	Area	Total Area
2BDRM	6	1108	6648
2 BDRM	6	1049	6294
1 BDRM +	6	861	5166
1 BDRM +	6	828	4968
1 BDRM	9	814	7326
1 BDRM	9	809	7281
1 BDRM	6	708	4248
1 BDRM	6	670	4020
STUDIO	24	406	9744
TOTAL	78		55695
AVERAGE		714.03846	



5TH FLOOR PLAN  
1" = 30'-0"



4TH FLOOR PLAN  
1" = 30'-0"  
3RD FLOOR SIMILAR



1ST FLOOR PLAN  
1" = 30'-0"

Judge Doyle Project - Block 88

Madison WI

04/12/2019

## SCHEMATIC PLANS

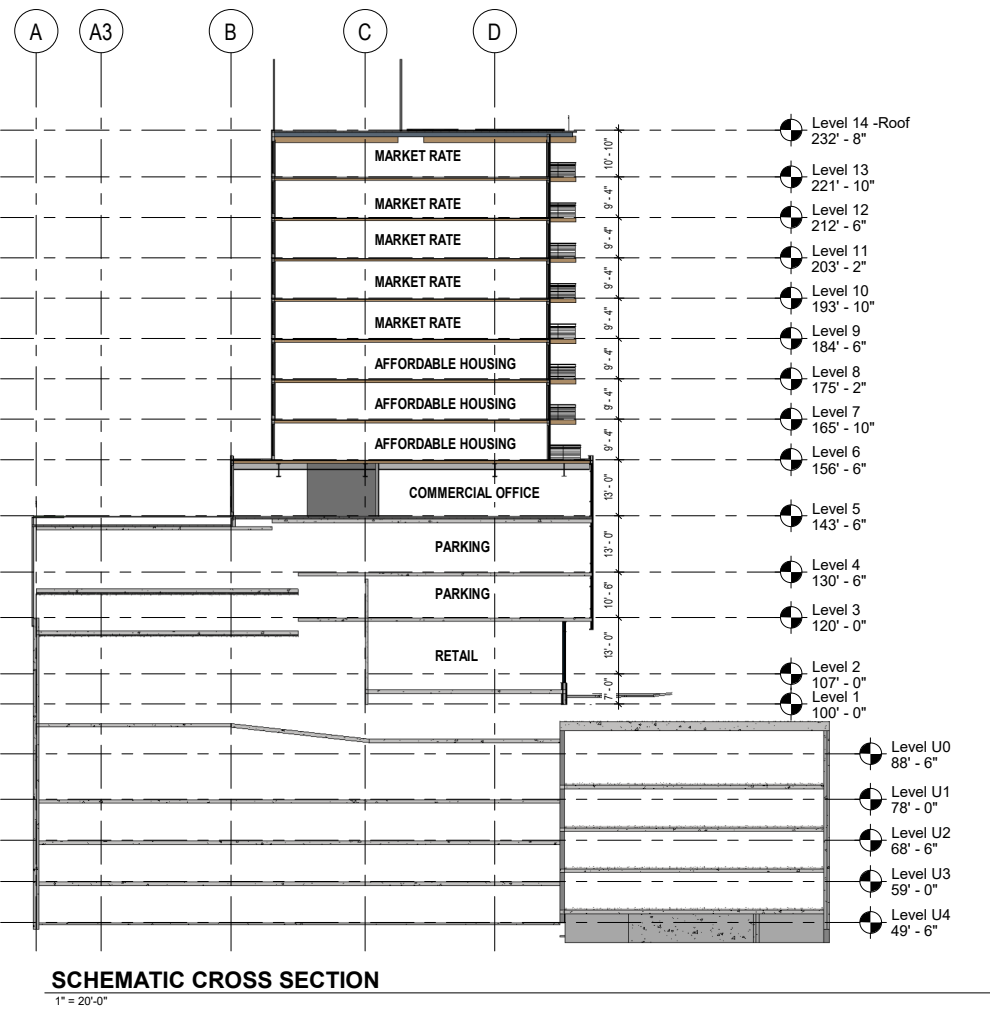
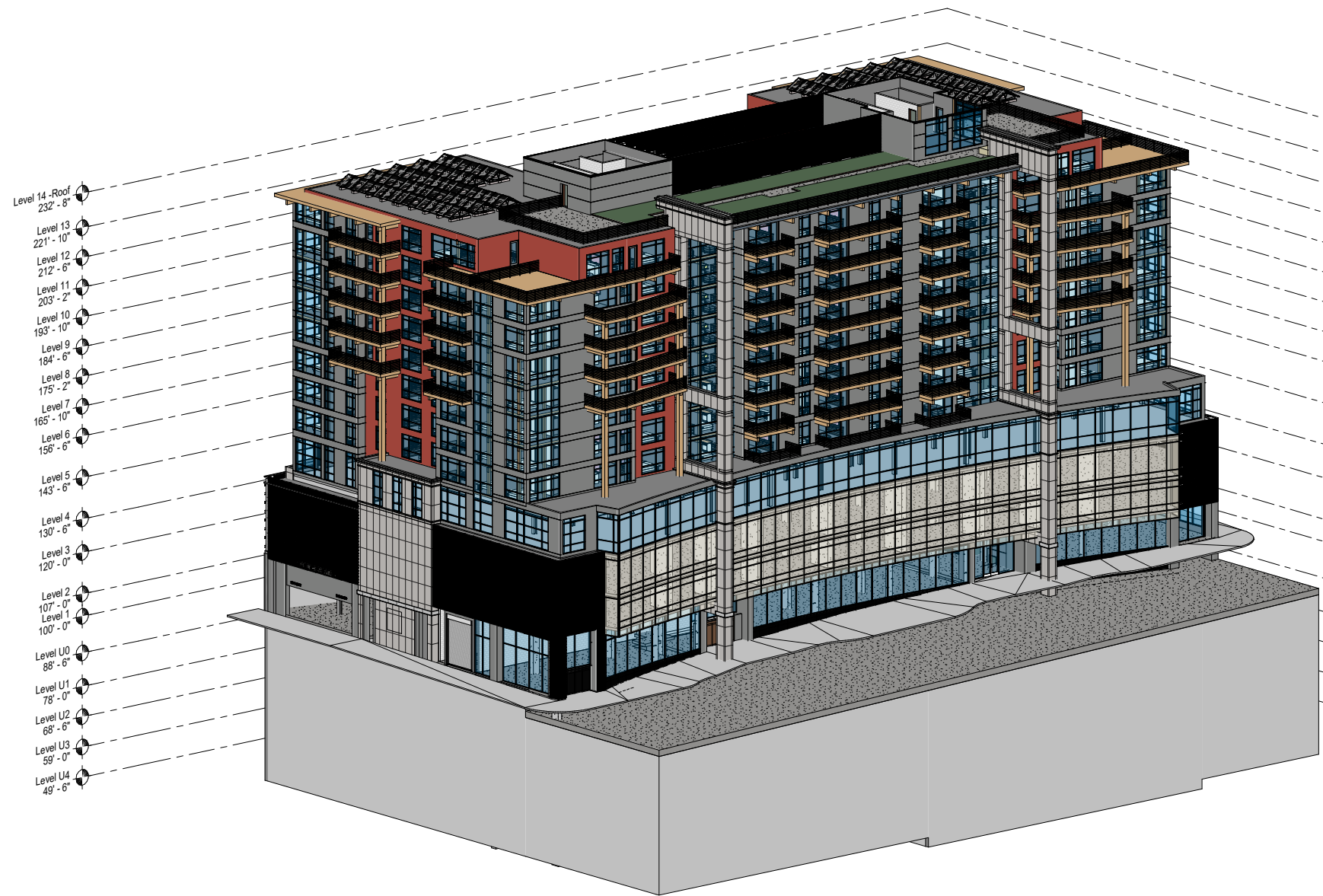
OPTION 1 - MARKET RATE/ AFFORDABLE  
1ST FLOOR - 7,807 SF RETAIL  
2 STORY PARKING GARAGE  
- 148 TOTAL PARKING SPACES  
- 107 SPACES SHARED (72%)  
(EXISTING PODIUM PARKING TO REMAIN)

5TH FLOOR - 22,600 SF COMMERCIAL OFFICE  
8 STORIES OF RESIDENTIAL -  
- 196 TOTAL UNITS  
- 78 AFFORDABLE UNITS - 3 FLOORS @ 26 UNITS/FL  
30 PARKING SPACES ( .38/UNIT)  
- 118 MARKET RATE UNITS - 5 FLOORS @ 24 UNITS/FL  
118 SPACES (1/UNIT)



Copyright © 2019 by Iconica (All Rights Reserved)  
4/12/2019 12:38:41 AM





Judge Doyle Project - Block 88

# SCHEMATIC MASSING AND SECTION

Madison WI

04/12/2019



Copyright © 2019 by Iconica (All Rights Reserved)  
4/12/2019 12:40:02 AM



## Chapter 4

### Financial Capability to Complete the Project

Preliminary financing commitment letter from TCF Bank is attached as Exhibit A

### Estimated Project Costs:

The project will be split into two components for financing purposes, the 78 affordable units will be one condo unit and the 118 market rate apartments, 26,000 square feet of commercial office, retail, and the parking will be another unit. All numbers are budgetary and reflective of schematic design level of drawings and are subject to change with further development if the team is selected.

### Market Rate Hard & Soft Costs

	Amount	\$/Sq. Ft	\$/Unit	% of Project	Notes
Base Land Value	2,360,000	22.93	20,000	6.80%	
<b>Total Land Value</b>	<b>2,360,000</b>	<b>22.93</b>	<b>20,000</b>	<b>6.80%</b>	

Hard Costs	Amount	\$/SF/Stall	\$/Unit	% of Project	Notes
Apartments	18,882,750	170.00	160,023	54.37%	
Garage	2,960,000	20,000	25,085	8.52%	
Retail	666,825	85.00	5,651	1.92%	
Office	2,285,820	85.00	19,371	6.58%	
TI Allowance	1,563,165	45.00	13,247	4.50%	
Hard Cost Contingency	944,138	6.48	8,001	5.00%	
<b>Total Hard Cost</b>	<b>27,302,698</b>	<b>187.25</b>	<b>231,379</b>	<b>78.62%</b>	

Soft Costs	Amount	\$/Sq. Ft	\$/Unit	% of Project	Notes
3rd Party Reports	10,000	0.07	85	0.03%	
Legal	100,000	0.69	847	0.29%	
Closing Costs/Title	30,000	0.21	254	0.09%	
Architecture & Engineering	1,092,108	7.49	9,255	3.14%	4.00%
Permits & Fee's	413,000	2.83	3,500	1.19%	
Leasing commissions	442,968	3.04	3,754	1.28%	6.00%
Marketing/Leaseup	100,000	0.69	847	0.29%	
FF&E	150,000	1.03	1,271	0.43%	
Financing Fees	138,917	0.95	1,177	0.40%	0.50%
Interest Reserve	694,586	4.76	5,886	2.00%	6.00%
Soft Cost Contingency	158,579	1.09	1,344	0.46%	5.00%
Development Fee	1,736,466	11.91	14,716	5.00%	5.00%
<b>Total Soft Costs</b>	<b>5,066,625</b>	<b>34.75</b>	<b>42,937</b>	<b>14.59%</b>	
<b>Total Cost</b>	<b>34,729,322</b>	<b>244.92</b>	<b>294,316</b>	<b>100.00%</b>	





### Affordable Hard & Soft Costs

	Amount	\$/Sq. Ft	\$/Unit	% of Project	Notes
Base Land Value	780,000	12.27	10,000	4.59%	
<b>Total Land Value</b>	<b>780,000</b>	<b>12.27</b>	<b>10,000</b>	<b>4.59%</b>	

Hard Costs	Amount	\$/SF/Stall	\$/Unit	% of Project	Notes
Apartments	11,198,240	170.00	143,567	65.89%	
Garage	-	-	-	0.00%	
Retail	-	-	-	0.00%	
Tenant Improvement Allowance	-	-	-	0.00%	
Demolition	-	-	-	0.00%	
Hard Cost Contingency	559,912	8.37	7,178	5.00%	
<b>Total Hard Cost</b>	<b>11,758,152</b>	<b>175.83</b>	<b>150,746</b>	<b>69.19%</b>	

Soft Costs	Amount	\$/Sq. Ft	\$/Unit	% of Project	Notes
3rd Party Reports	10,000	0.15	128	0.06%	
Legal	100,000	1.50	1,282	0.59%	
Closing Costs/Title	30,000	0.45	385	0.18%	
Architecture & Engineering	470,326	7.03	6,030	2.77%	4.00%
Permits & Fee's	50,000	0.75	641	0.29%	
Financing Fee	70,600	1.06	905	0.42%	1.00%
Marketing/Leaseup	100,000	1.50	1,282	0.59%	
Interest Reserve	176,500	2.64	2,263	1.04%	6.00%
Soft Cost Contingency	50,371	0.75	646	0.30%	5.00%
Development Fee	3,398,987	50.83	43,577	20.00%	20.00%
<b>Total Soft Costs</b>	<b>4,456,785</b>	<b>66.65</b>	<b>57,138</b>	<b>26.22%</b>	

<b>Total Cost</b>	<b>16,994,937</b>	<b>254.74</b>	<b>217,884</b>	<b>100.00%</b>	
-------------------	-------------------	---------------	----------------	----------------	--

### Financing Package for the Market Rate

We anticipate using traditional bank financing for this portion of the project with a loan in the range of 80% loan to cost with the remainder of the funds coming from equity.

### Financing Package for the Affordable Housing

For the affordable housing portion, we intend to apply for the 4% Federal Low-Income Housing Tax Credits which are non-competitive and are not restricted to funding once per year, we anticipate proceeds from the tax credits in the amount of \$5.57M. We would seek to combine the tax credits with a tax-exempt bond issuance, the project can support bonds in the amount of \$7.06M. We would then need the gap financing for the project to be covered by the city of Madison Affordable Housing Trust Fund in the amount of \$1.75M or approx. \$22k per unit and forgiveness of park fees. Debt for the project would be in the form of tax-exempt bonds with a 40-year amortization sizing limited by a 1.15 debt service coverage ratio.



## **Market Information**

The Madison Area continues to have a tight residential housing market for both Market Rate and Affordable housing, MG&E's multifamily vacancy rate is currently showing 3.0% for the city of Madison as a whole, and 3.65% for the downtown and near east areas. Many income restricted properties in the downtown Madison Area currently have wait lists showing the tight supply of these projects. The 2016 city of Madison biennial housing report shows strong need for affordable workforce housing

For the market rate project, new supply has largely been absorbed in the downtown and near east side markets. The location of Block 88 and its proximity the Capitol Square, State St. and King St. restaurants and amenities along with the amount of employment and ease of transportation in the location remains a priority for future tenants. Gebhardt has opened 2 new mixed-use projects in the past 5 years in the Cap East district that leased up rapidly and are currently 98% occupied.

The downtown office market remains strong and there are very few vacancies larger than 10,000 square feet with many of those in class C office space that is subpar for the market. The latest NAI MLG Commercial market report shows only a 6.5% vacancy in class A office space. The large open office floor plate presented in this RFP response will easily accommodate a single tenant, but can also be subdivided for smaller users. Gebhardt recently opened the Gebhardt Building, located in the Cap East district in 2018, and it's 100,000 square feet of retail and office space was 100% leased 3 months prior to completion of the project.

## **Terms of Real Estate Acquisitions**

Gebhardt is proposing to purchase the parking, the retail and the air rights above the podium

### **Proposed Deal Terms:**

- Purchase of the parking in the podium for a price of \$2,960,000
- Purchase of the retail in the podium for a price of \$666,825
- Purchase of the air rights over the podium for a price of \$3,915,000\*
- Total purchase price of \$7,541,825

\*To maximize the value of the site the proposed building footprint over the podium extends outside of the initially proposed footprint for the apartment tower. If the podium can be modified to accept the proposed structure without rework the development can afford \$3,915,000 to purchase the air rights. If the podium cannot be modified prior to completion of construction, the project incurs additional cost and the purchase price of the air rights will be reduced to \$3,140,000.

### **Affirmative Action Plan:**

Gebhardt has prepared the attached affirmative action plan as Exhibit B. The Developer and our General Contractor will use good faith efforts to meet workforce utilization goals.



## Project Sources & Uses

### Market Rate Sources & Uses:

#### Project Uses

Land	2,360,000
Hard Costs	27,302,698
Soft Costs	5,066,625
Total Uses	34,729,322

#### Project Sources

Equity	2,849,398
Deferred Development Fee	1,736,466
Land Equity	2,360,000
Mortgage	27,783,458
Total Sources	34,729,322

### Affordable Sources & Uses:

#### Project Uses

Land	780,000
Hard Costs	11,758,152
Soft Costs	4,456,785
Total Uses	16,994,937

#### Project Sources

Equity	(131,939)
Tax Credits	5,837,377
Affordable Housing Trust Fund	1,750,000
Deferred Development Fee	1,699,494
Land Equity	780,000
Mortgage	7,060,005
	16,994,937



## Exhibit A



DATE: 03/29/19  
TO: To Whom It May Concern  
FROM: David Braun  
CC: Otto Gebhardt, Darlene Buhler  
RE: Gebhardt Banking Relationship

---

TCF Bank and Otto Gebhardt III have recently established a working credit and deposit relationship. I have personally known and have worked with Mr. Gebhardt for over 15 years through various financial institutions. TCF is very excited to begin a relationship with Otto Gebhardt and Gebhardt Development given the strong reputation that the firm has built up over the years in Madison and the surrounding communities. Based upon current credit exposure, TCF Bank would strongly consider several additional credit requests from Otto Gebhardt and Gebhardt Development as the bank looks to grow the relationship.

This letter does not constitute a commitment to lend as each respective credit opportunity needs to be fully underwritten, reviewed and approved within the bank approval authority guidelines. However, this letter is intended to speak to the credit worthiness of Otto Gebhardt and Gebhardt Development. TCF Bank has lending capacity for Mr. Gebhardt under the current aggregate loan exposure and would be happy to review and evaluate ongoing credit needs as they arise for Mr. Gebhardt.

Please reach out directly to me with any specific questions regarding this letter.

A handwritten signature in black ink, appearing to read 'David Braun', with a long horizontal line extending to the right.

*David Braun, WI Commercial Real Estate Team Lead*



## Exhibit B



## Section I - Cover Page

# Affirmative Action Plan for City of Madison Individual Developer (Effective for 2 Years)

**Complete all lines and certifications herein. All information below is required.**

Gebhardt Development, LLC

1. Company Name

222 North Street

2. Address

Madison, WI 53704

3. City/State/Zip Code

608-245-0753

4. Telephone

5. FAX

gebhardtddevelopment@tds.net

6. E-mail Address

7. Website

Otto C. Gebhardt III, Sole Member

8. Chief Executive Officer

Otto C. Gebhardt III, Sole Member

9. EEO/AA Officer

April 12, 2019

10. Date

SUBMIT TO:  
AA Contract Compliance Specialist  
Department of Civil Rights Affirmative Action Division  
210 Martin Luther King, Jr. Boulevard, Room 523  
Madison, Wisconsin 53703  
PH (608) 266-4910  
FAX (608) 266-6514  
[ghanaman@cityofmadison.com](mailto:ghanaman@cityofmadison.com)  
[www.cityofmadison.com/dcr](http://www.cityofmadison.com/dcr)

## Section II - Policy Statement

It is our policy not to discriminate against any employee or applicant because of:

- race
- religion
- marital status
- age
- color
- sex
- disability/handicap
- national origin or ancestry
- income level or source of income
- arrest record or conviction record
- less than honorable discharge
- gender identity
- physical appearance
- sexual orientation
- political beliefs
- student status

We shall take affirmative action to ensure that applicants and employees are treated without regard to race, religion, color, age, marital status, disability, sex, gender identity, sexual orientation or national origin. Such action shall include, but not be limited to:

- employment
- upgrading
- demotion or transfer
- recruitment or recruitment advertising
- layoff or termination
- rates of pay or other forms of compensation
- selection for training including apprenticeship insofar as it is within our control

We will maintain a harassment-free work environment for all employees. We will require our employees to comply with this policy statement and affirmative action plan. **All related non-discrimination policies must INCLUDE ALL of the above protected groups.**

## Section III - Staff Responsibility

I, Otto C. Gebhardt III, Sole Member, am responsible for  
11. (Name and Title)

implementation of our Affirmative Action (AA) Plan. I am responsible for internal monitoring, data compilation and reporting on compliance with Section 39.02 of the Madison General Ordinances and my affirmative action plan.

## Section IV - Subcontractors

12. ☒ I agree not to discriminate against any subcontractor or person who offers to subcontract on any contract with us because of race, religion, color, age, disability, sex, sexual orientation, gender identity or national origin. I am committed to increasing my utilization of Small Business Enterprises (SBEs), including those owned by racial/ethnic affirmative action group members and women, as subcontractors on City of Madison public improvement projects. I will take affirmative measures to increase subcontracting opportunities to these businesses. I will require similar efforts from those companies with which I do business involving City of Madison public improvements. I commit to the following:
- Providing SBEs, Minority Business Enterprises (MBEs), Women Business Enterprises (WBEs) and Disadvantaged Business Enterprises (DBEs) maximum feasible opportunity to compete for subcontracting opportunities on City of Madison Public Works projects; and
  - Making a good faith effort to increase my overall utilization of SBEs, MBEs, WBEs and DBEs as subcontractors, vendors and suppliers and to ensure that SBEs, MBEs, WBEs and DBEs receive an equitable share of my business.
13. ☒ I will ensure that all of my subcontractors working on City of Madison public improvements provide equal employment opportunity.
14. ☐ **I will include the Articles of Agreement contained in my contract with the City for public improvements construction in every subcontract so that these provisions will be binding upon each subcontractor.** I will require my subcontractors working on City of Madison public improvements projects to comply with the requirements of MGO 39.02 prior to starting work on any City public improvements project. I will take the necessary action to enforce these provisions, including sanctions provided for noncompliance in Section 39.02(8)(e)2., Article VII of the Madison General Ordinances.
15. ☐ Yes I do presently, commonly or will subcontract and have **ATTACHED A COPY OF OUR STANDARD SUBCONTRACT TO THIS PLAN.\*** Any City subcontract will include the City's full AA Articles (as appear herein for your convenience on last page of this AA plan).
- ☒ No I do **NOT** subcontract normally or expect to do so.

\*Mandatory Attachments

## Section V - Goals and Timetable

**I AM COMMITTED TO ACHIEVING THE CITY'S UTILIZATION GOALS OF 6% RACIAL/ETHNIC AFFIRMATIVE ACTION GROUP MEMBERS AND 7% WOMEN.** I understand that the City has established these goals for all contractors regardless of whether they are prime or subcontractors on a project. The goals are measured in percentages of contractor project work hours on each project.

The goal of this affirmative action plan is to achieve a balanced workforce, which employs racial/ethnic affirmative action groups, women and people with disabilities throughout all job categories. I understand that I am expected to make good faith efforts to eliminate wage disparities and to document these efforts.

## Section VI - Performance Evaluation

**The Affirmative Action Department will evaluate my performance under this plan continuously throughout each City public improvements project. I will cooperate with this monitoring process.**

## Section VII - Compliance

I understand that I am in compliance with the City of Madison Affirmative Action Ordinance and Contract Compliance Program when I fulfill all City of Madison ordinance provisions and meet or exceed utilization goals. **IF I DO NOT MEET THE UTILIZATION GOALS, I MUST DEMONSTRATE GOOD FAITH EFFORTS TO DO SO IN ORDER TO BE IN COMPLIANCE INCLUDING, BUT NOT LIMITED TO CONTEMPORANEOUS, NEW AFFIRMATIVE ACTION OUTREACH COMMUNICATIONS, DIVERSITY JOB FAIRS, AND/OR MENTOR/INTERNSHIP PARTICIPATION.** Compliance is determined by the Affirmative Action Division Manager, whose determination may be appealed by following the procedure contained in Section 39.02(9)(g) of the Madison General Ordinances.

## Section VIII - Additional Affirmative Action Program

I understand that the City of Madison must apply certain additional federal equal opportunity or affirmative action requirements to its contractors, when applicable. These requirements will be made a part of the appropriate contract documents.

## Section IX - No Private Cause of Action

This plan is not intended to create a private right of action by or on behalf of any employee or applicant for employment based upon a claim that this plan, or the developer's contractual obligation have not been complied with. An employee or applicant for employment who claims a violation of this plan or the developer's agreements with the City may file a complaint as provided in Section 39.02(9)(h) of the Madison General Ordinances.

## Section X - Acknowledgment

On behalf of this contractor and with its authorization the undersigned acknowledges that he/she has read, reviewed and adopted this affirmative action plan and agrees to be bound by it. Further, the information provided herein is accurate and true to the best of this developer's ability. The undersigned further acknowledges that the City of Madison has the right to review the records of this developer, which shall be maintained as documentation of this developer's agreement to be bound by the current plan and supplemental data we have submitted.

16. Submitted at Madison, Wisconsin this 12th day of April 20 19.

Individual Developer

17. Signature

Otto C. Gebhardt III, Sole Member

18. Name (please print or type)

## Section XI - Review Checklist (For Office Use Only)

- ☐ Complete Model Affirmative Action Plan for: \_\_\_\_\_
- ☐ Inconsistent policy statements: \_\_\_\_\_
- ☐ Omitted Answers: \_\_\_\_\_
- ☐ Omitted Attachments: \_\_\_\_\_
- ☐ Other: \_\_\_\_\_

## Addendum - City of Madison Affirmative Action Articles of Agreement

### ARTICLE I

The contractor shall take affirmative action in accordance with the provisions of this contract to insure that applicants are employed, and that employees are treated during employment without regard to race, religion, color, age, marital status, disability, sex, gender identity, sexual orientation or national origin and that the employer shall provide harassment-free work environment for the realization of the potential of each employee. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training including apprenticeship insofar as it is within the control of the contractor. The contractor agrees to post in conspicuous places available to employees and applicants notices to be provided by the City setting out the provisions of the nondiscrimination clauses in this contract.

### ARTICLE II

The contractor shall in all solicitations or advertisements for employees placed by or on behalf of the contractors state that all qualified or qualifiable applicants will be employed without regard to race, religion, color, age, marital status, disability, sex or national origin.

### ARTICLE III

The contractor shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice to be provided by the City advising the labor union or workers representative of the contractor's equal employment opportunity and affirmative action commitments. Such notices shall be posted in conspicuous places available to employees and applicants for employment.

### ARTICLE V

The contractor agrees that it will comply with all provisions of the Affirmative Action Ordinance of the City of Madison, including the contract compliance requirements. The contractor agrees to submit the model affirmative action plan for public works contractors in a form approved by the Affirmative Action Division Manager.

### ARTICLE VI

The contractor will maintain records as required by Section 39.02(9)(f) of the Madison General Ordinances and will provide the City's Division of Affirmative Action with access to such records and to persons who have relevant and necessary information, as provided in Section 39.02(9)(f). The City agrees to keep all such records confidential, except to the extent that public inspection is required by law.

### ARTICLE VII

In the event of the contractor's or subcontractor's failure to comply with the Equal Employment Opportunity and Affirmative Action Provisions of this contract or Sections 39.03 and 39.02 of the Madison General Ordinances, it is agreed that the City at its option may do any or all of the following:

1. Cancel, terminate or suspend this contract in whole or in part.
2. Declare the contractor ineligible for further City contracts until the Affirmative Action requirements are met.
3. Recover on behalf of the City from the prime contractor 0.5 percent of the contract award price for each week that such party fails or refuses to comply, in the nature of liquidated damages, but not to exceed a total of five percent (5%) of the contract price, or five thousand dollars (\$5,000), whichever is less. Under public works contracts, if a subcontractor is in noncompliance, the City may recover liquidated damages from the prime contractor in the manner described above. The preceding sentence shall not be construed to prohibit a prime contractor from recovering the amount of such damage from the non-complying subcontractor.

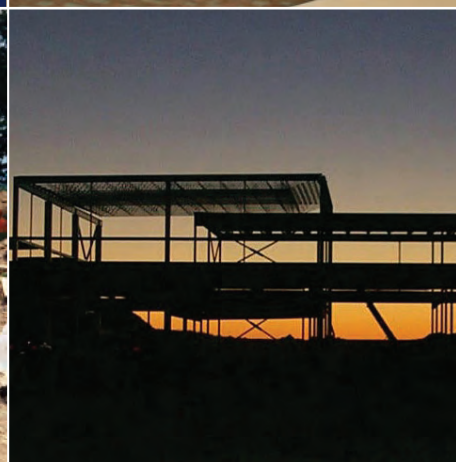
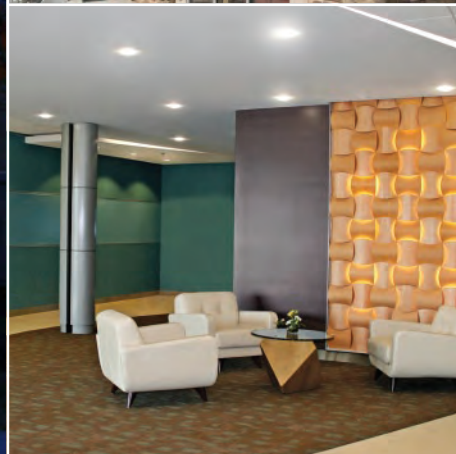
### ARTICLE VIII

**The contractor shall include the above provisions of this contract in every subcontract so that such provisions will be binding upon each subcontractor.** The contractor shall take such action with respect to any subcontractor as necessary to enforce such provisions, including sanctions provided for noncompliance.



## Exhibit C





# Company Profile

## OWNERSHIP

Iconica is a family business owned by brothers Tom and Jim Pientka. Early on, Tom focused on engineering and Jim on construction. In the years since, they both have gained invaluable experience in design, supervision, contracting and running a business, all of which serves our customers because of their overall understanding of what makes a space functional, affordable and most of all enjoyable.



## HISTORY AND EXPERIENCE

Iconica's roots date back to 1973 with the founding of a small architectural firm. In later years, we added construction services. Both aspects of the business were successful, but it wasn't until we tried to truly combine the two that we found an entirely better way of doing business. We added engineers, interior designers and quality control managers and now all disciplines work together, under one roof, from start to finish. We spent countless hours perfecting our processes to take the headaches out of the building process: the delays, the finger-pointing, and the cost overruns. Now, whether we're tasked with a project piece or the whole thing, on time and on budget live in harmony.

Iconica has a diverse and expert staff including architects, interior designers, engineers (mechanical, electrical, plumbing and structural), estimators and construction personnel. We are experienced in many building types including office, bioscience, housing, healthcare, retail and hospitality. Adding it up, we have over 400 projects and 8 million square feet designed and built since 1994.

Everybody claims they have the right way. Few deliver. Who are we to make such claims? Put us to the task. See if we won't sit down and listen to your concerns, demonstrate our expertise, and hold ourselves accountable. We will, because we don't work any other way.



## CONTACTING ICONICA

Headquarters:  
901 Deming Way  
Madison, WI 53717  
608.664.3500  
[www.iconicacreates.com](http://www.iconicacreates.com)

## ICONICA OFFERS REMARKABLE BENEFITS TO OUR CLIENTS:

### **We make it easy**

- Single source responsibility – Iconica leaps past the finger-pointing by managing all aspects of your project from planning and design through construction, so you can take care of YOUR business
- Early and accurate cost estimates – our knowledge of both design and construction means you'll know your project cost before spending significant dollars

### **We make it fast**

- Choosing our True Design-Build<sup>SM</sup> option means design & construction activities occur concurrently and collaboratively yielding the shortest schedules
- Regardless of whether Iconica provides all services, we consistently meet challenging project schedules because we hold ourselves accountable

### **We make it affordable**

- We win the battle of the budget by controlling first cost and optimizing operating costs
- Project costs are best controlled by starting with design. Thoughtful, efficient, detailed designs result in accurate, aggressive bids from subcontractors – driving out unnecessary costs and change orders
- Each and every division of work is competitively bid to at least 3 qualified subcontractors – and generally many more – giving you great pricing

## SUSTAINABLE DESIGN BUILD QUALIFICATIONS

Going green. It's more than just using recycled and renewable materials. It's about long-term operational savings — in terms of cost savings, environmental savings and employee retention and productivity. We leverage our sustainable design and construction knowledge to create spaces that exceed indoor environmental quality standards while reducing the burden on the earth's natural resources. Whether office, retail, clinic or industrial, we find a way to soften the impact.



Iconica believed in incorporating cost-effective, sustainable and energy efficient features in our projects long before the advent of the United States Green Building Council (USGBC). We are USGBC and WGBA presenters and have a number of LEED-accredited professionals on staff. Having stakeholders at the design table ensures sustainable goals are met and dollars are spent wisely. The result is an integrated approach to sustainable design and construction that achieves results difficult to beat.



## AWARDS AND HONORS

Iconica has been recognized for our creative designs both inside and out, for the value our successful design-build projects bring to our clients, and for our business practices including leadership and philanthropy.

AGC Build Wisconsin Award  
AGC Environmental Excellence Award  
ABC Wisconsin – Project of Distinction – Electrical Engineering  
Salon of the Year – Salon Today Magazine  
Best of Wisconsin Business Award- Corporate Report Magazine  
Best in Business Award - In Business Magazine  
ASHRAE Technology Award  
WGBA SE<sup>2</sup> Award of Merit

## LEED RECOGNITION



LEED Green Building Rating System™ is a nationally accepted benchmark for the design, construction and operation of high performance green buildings.

LEED EB Silver:	Athena Building, Madison, WI
LEED NC Silver:	UW Credit Union Monroe St, Madison, WI
LEED Gold:	WPPI Energy, Sun Prairie, WI

## PROFESSIONAL MEMBERSHIPS & AFFILIATIONS

We are leaders. With that comes a strong commitment to continuing education and employee development. We know what it takes to stay in front of the curve and to keep our clients and their buildings there, too. We follow industry trends through trade publications, seminars, study, and participation in professional organizations both as a company and or as individuals.

## COMMUNITY INVOLVEMENT

Iconica believes in the power and benefit of community involvement. We support a number of organizations, most notably Second Harvest of Dane County and Big Brothers Big Sisters of Dane County. We also encourage our employees to donate their time and resources for the betterment of the world in which we live.

# Services

We build great spaces. And it doesn't happen by accident. It's a result of planning services that are unparalleled. Of a diverse team – architects and engineers, designers and tradespeople – working together from project inception to find the best way. And a bolstered set of services – essential and exclusive alike – allowing us to anticipate every client need, at every step in the process.

## ESSENTIAL SERVICES:

### PRELIMINARY PLANNING

- Site Assessment
- Master Planning
- Conceptual Design & Programming
- Estimating
- Agency Reviews and Approvals
- Capital Needs Assessments

### BUSINESS

- Estimating
- Bidding
- Pro Forma Budgets
- Development Cost Budgets
- Financing
- Financial Feasibility Analysis
- Referrals to Business Advisors

### ARCHITECTURE

- Schematic Design
- Drawings & Renderings
- Computer Animations
- Design Development
- Construction Documents
- Quality Control
- Sustainable Design
- LEED Certification

### INTERIOR DESIGN

- Programming
- Space Analysis & Planning
- Product Finish Selection
- Furniture Selection

### ENGINEERING

- Civil Engineering Consultation
- Structural
- Plumbing
- HVAC
- Electrical
- Energy Efficiency Audits

### CONSTRUCTION

- Competitive Bidding
- Contracting
- Project Scheduling
- Subcontractor Selection
- Project Management
- Documentation
- Quality Control

### POST CONSTRUCTION

- System Training & Startup
- Owner's Manuals
- Warranty

## EXCLUSIVE SERVICES:

### STRATEGIC SERVICES

### BRANDING SERVICES

# Experience

## WE CREATE GREAT SPACES THROUGH INTEGRATION

Iconica is experienced in the architecture, interior design, engineering and construction of many building types including commercial office, financial, retail, destination resorts and hotels, restaurants, healthcare, high-tech, life sciences and institutional. Adding it up, we have over eight million square feet designed and built since 1994. Our process allows us to take what we learn from one sector and apply it to another so designs remain creative and competitive. It's the best of both worlds.



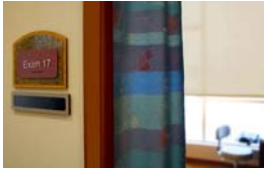
### Office

Baker Tilly Headquarters	Madison	154,200 sf office
Associated Bank Headquarters	Madison	94,000 sf office
von Briesen & Roper	Milwaukee	68,000 sf law office
Discovery Springs	Middleton	93,000 sf office/wellness center
Excelsior Financial Centre	Madison	75,000 sf financial offices
Athena Building	Madison	86,000 sf LEED-EB certified
Sauk Trails Plaza	Madison	108,000 sf 6-story office
Meriter Administrative Offices	Madison	138,000 sf office
Renaissance Learning	Wis. Rapids	128,000 sf office
Deming Place	Madison	41,300 sf engineering office
High Point Office Centre	Madison	30,000 sf office
Esser Place	Middleton	87,650 sf remodel & reposition
RSM McGladrey – Excelsior Drive	Madison	19,500 sf tenant space
Mass Mutual Financial Group	Madison	4,600 sf tenant space
Thompson Plumb Investment	Madison	18,158 sf tenant space



### Financial

Starion Financial – Greenway Station	Middleton	13,200 sf free standing
Associated Bank – Excelsior Drive	Madison	19,300 sf tenant space
US Bank – Excelsior Drive	Madison	tenant space
Wells Fargo – John Q Hammons Drive	Madison	7,200 sf tenant space
Amcore Bank – Excelsior Drive	Madison	6,100 sf tenant space
Cuna Credit Union	Madison	9,885 sf addition
UW Credit Union – 8 locations	Various	4,500 sf average



## Healthcare

UW Health	Sun Prairie	16,300 sf new patient facility
UW Health	Beaver Dam	1,700 sf clinic space
Meriter Pediatric Clinic	Middleton	7,500 sf new patient facility
Meriter Orthopedic Clinic	Middleton	8,500 sf patient clinic
Group Health – Sauk Trails Clinic	Madison	4,725 sf clinic remodel
Dean Aesthetic Surgery Center	Madison	2,100 outpatient surgery clinic
Dean Medical Work Well Center (OT/PT)	Madison	8,000 sf major renovation
Lasting Skin Solutions	Middleton	5,000 sf new patient facility
Anderson Shapiro Eye Care	Madison	3,255 sf new patient facility
Dental Associates	Franklin	22,000 sf new patient facility
Center for Cosmetic Dentistry	Middleton	9,800 sf new patient facility
Dr. Hill and Associates Dental Office	Madison	4,400 sf major renovation
Byce and Worman Dental	Madison	4,500 sf dental clinic
Riverview Hospital	Wis. Rapids	Remodel/equipment installation



## Lab/Science

Stemina Biomarker Discovery	Madison	3000 sf w/ BS2L lab
EraGen Biosciences	Madison	15,200 sf lab facility
TomoTherapy Headquarters	Madison	70,100 sf office and testing
Roche Mirus	Madison	19,200 sf lab facility
Roche NimbleGen (Construction)	Madison	30,000 sf office and lab
WiCell Research Institute (Design)	Madison	Lab tenant improvement
A Breed Apart Vet Clinic	Madison	2,800 sf veterinary clinic
Sauk Prairie Small Animal Hospital	Sauk City	8,000 sf clinic addition



## Industrial

Capital Brewery Addition	Middleton	1,800 sf manufacturing
TomoTherapy Manufacturing	Madison	63,340 sf manufacturing
Nonn's Granite Fabrication	Springfield	34,000 sf manufacturing
Steinhafel's Warehouse	Waukesha	425,000 sf warehouse & retail
Koltas Lumber	Waunakee	13,000 sf addn & remodel
Haase Properties Warehouse	Deforest	17,850 sf warehouse
TDS Data Center	Middleton	1,000 sf data center





## Hospitality

Great Wolf Lodge (construction)	Wisconsin Dells	310 units, 44,000 sf waterpark
Kalahari Resort	Wisconsin Dells	735 units, 944,000 sf resort
Kalahari Resort	Sandusky, OH	884 units, 646,000 sf resort
Timber Ridge Lodge	Lake Geneva	151 units, 257,000 sf resort
KeyLime Cove	Gurnee, IL	414 units, 50,000 sf waterpark
Treasure Island Resort	Wisconsin Dells	Additions totaling 179,000 sf
Cove of Lake Geneva (construction)	Lake Geneva	225 condominium units
Country Inn & Suites	Middleton	84 units, 47,500 sf
Fairfield Inn & Suites (construction)	Oak Creek	119 units, 61,600 sf
Candlewood Suites (construction)	Oak Creek	95 units, 48,500 sf
AmericInn	Sheboygan	60 units, 32,000 sf
Ramada Raintree Resort	Wisconsin Dells	157 units, 132,000 sf



## Restaurants

Eno Vino Bistro & Bar	Madison	5,550 sf tapas bar
Kahunaville Restaurant & Bar	Wisconsin Dells	9,200 sf restaurant & nightclub
Ruth's Chris Steak House	Middleton	9,500 sf restaurant
Houlihan's	Wisconsin	11,150 sf – 3 locations
Pedro's Mexican Restaurante	Madison	12,600 sf restaurant
Damon's	Wisconsin	10,000 sf – 3 locations
Sprecher's Restaurant & Pub	Madison	11,200 sf restaurant remodel



## Renovation

Esser Place	Middleton	87,650 sf reposition to Class A
Gunderson Funeral Home	Monona	18,300 sf visitation/chapel
Madison Country Day School	Waunakee	85k sf remodel, 40k sf new
WPPI Energy	Sun Prairie	25k sf remodel, 25k sf new
South Towne Mall	Monona	converted enclosed mall to strip
Staples Office Superstore & Others	Oshkosh	84,800 sf big box remodel
One Wausau Center	Wausau	80,000 sf store to courthouse
Appleton Marketplace	Appleton	85,000 sf retail remodel
Christ Lutheran Church	Stoughton	remodel and addition
Capital Brewery	Middleton	Addition and remodel



## Multi-family Housing

Longfellow Apartments	Madison	104 units
306 W Main	Madison	172 units, parking
West Gateway Apartments	Cross Plains	42 units
Pine Cove	Wisconsin Dells	50 condominium units
Prentice Park	Madison	162 units, clubhouse, parking
The Monticello (architectural)	Madison	326 units, parking
Forest Run (architectural)	Madison	196 units, garages
Kalahari Condominiums	Wisconsin Dells	120 condominium units
Cove of Lake Geneva	Lake Geneva	222 deluxe guest suites



## Senior Housing

Skaalen Sunset Home	Stoughton	various remodels and additions
Terrace Heights	Mauston	34 unit senior apartments
Pine View Terrace	Black River Falls	28 unit assisted living
Vennevoll	Stoughton	102 unit retirement housing
Saukdale Condominiums	Madison	44 two bedroom condos
Bethel Birchwood	Viroqua	20 unit independent living
Golden Years Retirement Village	Walworth	30 unit congregate care
Twining Valley	Monroe	61 unit congregate care
Greenway Manor	Spring Green	60 bed facility



## Retail

Steinhafels Furniture	Waukesha	425,000 sf retail/admin/warehouse
5 additional locations	Various	110,000 sf average
WG&R Furniture	Ashwaubenon	74,300 sf new construction
4 additional locations	Various	40,000 sf average
High Point Shopping Centre	Madison	80,000 sf strip center
Pier 37 Development	Monona	70,000 sf, 5 buildings
Prairie Square	Sun Prairie	36,000 sf strip center
Middleton Hills Mixed Use	Middleton	11,990 sf new construction
Walgreens	Madison	3 locations
SteinMart	Appleton	40,000 sf tenant space
Hobby Lobby	Oshkosh	51,000 sf tenant space
Fan 4 Ever	Sun Prairie	2,550 sf tenant space
EyeMart Express	Appleton	3,300 sf tenant space



Iconica  
901 Deming Way  
Madison, WI 53717

608.664.3500 Ph  
608.664.3535 Fx  
[iconicacreates.com](http://iconicacreates.com)

**Iconica References:**

Joe Alexander, President - The Alexander Company

Cathy O'Donnell, Vice President, Operations - The Gialamas Company

Cheryl Weisenel, Facilities Director - UW Credit Union

Curt Walth, Executive Vice President – Starion Bank

Tim Carey, CEO – T5 Real Estate

Tom Paque, Senior Vice President – WPPI Energy

Kevin Lederer, Partner – Capitol Real Estate



# Carbon Summary



## Results



Volume of wood products used:  
3,392 cubic meters (119,794 cubic feet)



U.S. and Canadian forests grow this much wood in:  
9 minutes



Carbon stored in the wood:  
3032 metric tons of carbon dioxide



Avoided greenhouse gas emissions:  
1173 metric tons of carbon dioxide



Total potential carbon benefit:  
4205 metric tons of carbon dioxide

Project Name: Block 88 Madison WI

Date: April 10, 2019

---

Results from this tool are based on wood volumes only and are estimates of carbon stored within wood products and avoided emissions resulting from the substitution of wood products for non-wood products. The results do not indicate a carbon footprint or global warming potential and are not intended to replace a detailed life cycle assessment (LCA) study. Please refer to the References and Notes' for assumptions and other information related to the calculations.

## Equivalent to:



889 cars off the road for a year



Energy to operate 444 homes for a year



## Exhibit D

## HISTORY OF THE COMPANY

Oakbrook Corporation was formed in 1987 for the purpose of engaging in real estate property management, leasing and project management. Subsequently, the firm added brokerage, leasing, research, construction management and consulting services. Along the way, we have held true to our values of diligence, stewardship, and integrity. Our success in adhering to these principles is the primary reason that our company has attained a significant number of prominent clients who have continued their relationship with us for many years.

2019 marks 32 years since Oakbrook's founding. We now employ over 240 employees, manage over 6,900 apartments at 80 different locations in Wisconsin, Illinois and Iowa, and 45 commercial properties in the metropolitan Madison area, all totaling over 10 million square feet of space. Oakbrook is an Accredited Management Organization and has a Certified Property Manager and another Certified Property Manager candidate on staff.

## UNIQUE ORGANIZATIONAL STRUCTURE

Oakbrook conducts business through an organizational structure that remains virtually unique among Wisconsin real estate service firms. We are organized into six primary operating groups:

- Residential Property Management
- Commercial Property Management
- Brokerage & Leasing
- Development & Investment
- Construction
- Accounting, corporate operations and treasury

Our experience and longevity in managing and leasing commercial property in the Madison market is unrivaled. As each assignment warrants, we can bring together teams with special expertise in research, financial analysis, property management, development, project management, construction and transaction execution, providing our clients with a unique blend of value added services. Each team's breadth of prior experience on a local and national basis creates a potent array of insight, experience and knowledge of the many disciplines that need to be mastered for a successful project.

## SERVICES OVERVIEW

The backbone of our organization and the services we offer to our residential and commercial clients stems from broad and comprehensive experience developing, financing, marketing, managing and selling our own properties. This experience has provided us with both broad and deep knowledge of all the faculties and skills necessary to achieve success in the complex world of property ownership. We have experienced in house resources that allow us to offer the following integrated services:

### Residential and Commercial Management Property Management

- Property Accounting
- Federal and State Program Compliance
- Annual Budget Planning and Expense Management
- Capital Budget Planning and Execution
- Renovations
- Client Relations
- Tenant Relations
- Human Resources and Payroll Management
- Marketing and Leasing
- Owner Financial and Tax Reporting
- Property Transitions
- Recruiting and Employee Development
- Revenue Management
- Senior Housing
- Preventative Maintenance

### Brokerage

- Retail, Office, Industrial, Multifamily, Land, and Corporate Building Sales and Acquisitions
- Landlord and Tenant Representation
- Investment Sales and Acquisitions
- Broker Opinion of Value

### Development and Construction Services

- Strategic Planning
- Analysis of Facility Operating Costs
- Project Management
- Mortgage/Equity Financing Service
- Site Selection and Acquisition
- Construction Management
- Design Consulting Services
- Architectural/Engineering Contract Negotiations
- Construction Contract Negotiation



# COMPANY OVERVIEW

## PROPERTY MANAGEMENT

Oakbrook Corporation manages our clients' properties from an owner's perspective with expertise that has developed during an extended period of property ownership by the company's principals. We apply the same thoughtful, aggressive, goal-oriented approach to the management of our clients' properties as we do in successfully managing our own. We understand the importance of protecting your asset, providing customer service to your tenants and being cost efficient. Our residential management group manages over 6,900 residential apartment homes throughout the Midwest with extensive experience in market rate, mixed use, affordable and senior housing. Our commercial property management group manages state-of-the-art office, medical, laboratory, production and retail buildings. Some buildings house highly regulated laboratories and high tech manufacturing users requiring a high level of security, skill and care. Other buildings are occupied by more typical office, retail and medical users. Oakbrook is a Madison-based company; our management group and owners are proud to call Madison home. We *know* the market, we *know* the vendors, and most importantly we *know* how to manage real estate at the highest level.

## SPECIFIC MIXED USED EXPERIENCE



State Street Station takes urban living to a new level in the vibrant Village of Wauwatosa. Prominently located along State Street in the heart of the Wauwatosa community, this amenity-rich apartment complex is a mixed-use redevelopment of an entire city block. The four-story building includes 148 luxury, market-rate apartments above one floor of approximately 20,500-sq.ft. of retail space, 82 public parking spaces and two levels of private underground parking (255 spaces) for the apartments.

Location: Wauwatosa, Wisconsin

Property Type: Mixed-Use/Multi-Family

Property Size: 148 Residential Units / 25,000 SF Retail

Oakbrook Role: Property Manager

[www.statestreettosa.com](http://www.statestreettosa.com)

## MIXED-USE EXPERIENCE



The Encore Apartments, located on 8<sup>th</sup> Street in downtown Sheboygan is a mixed-use development including 81 studio, one and two bedroom residential units and 4,000 SF of retail space. Situated between the J. Michael Kohler Arts Center and the Mead Public Library, the project was developed in partnership with the City of Sheboygan and includes the adjacent City Green, a public space that regularly hosts concerts, festivals, and other community events.

Location: Sheboygan, Wisconsin

Property Type: Mixed-Use/Multi-Family

Property Size: 81 Residential Units / 4,000 SF Retail

Oakbrook Role: Development, Property Management

[www.live-encore.com](http://www.live-encore.com)



Located in the active downtown of Milwaukee, Yankee Hill provides 349 luxury apartments, including 15 penthouses, with breathtaking lake and city views, and 44 townhomes. An exterior improvement took place in 2014 totaling over \$6.6 million rebuilding all sidewalks and plaza space covering two full city blocks. Prior to the exterior improvements, all units received upgraded cabinetry, fixtures, hardware, and flooring in addition to an elevator modernization reaching an investment of approximately \$1.9 million.

Location: Milwaukee, Wisconsin

Property Type: High Rise Multi-Family

Property Size: 305 Residential Units / 44 Townhomes

Oakbrook Role: Development, Property Management,  
Construction Management

[www.yankeehillapartments.com](http://www.yankeehillapartments.com)

## MIXED-USE EXPERIENCE



### DUNTON TOWER APARTMENTS

Live a life of convenience at Dunton Tower Apartments. Located in the heart of Downtown Arlington Heights just steps from the Metra, dining, shopping, entertainment, and Arlington Park. Enjoy all of the conveniences of the Chicago Suburbs with easy access to Downtown. You can enjoy the sunrise over the downtown Chicago skyline, watch the bustle of downtown Arlington Heights, or enjoy a relaxing sunset to the West.

Location: Arlington Heights, Illinois

Property Type: Mixed-Use/Multi-Family

Property Size: 220 Residential Units / 14,000 SF Retail

Oakbrook Role: Development, Property Management,  
Construction Management

[www.duntontower.com](http://www.duntontower.com)



### 300 EAST SEVENTEENTH

In the heart of downtown Denver and steps from the 16th Street Mall, 300 East 17th Apartments offers richly appointed residences that deliver everything you desire. 300 East 17th features studio, one and two bedroom floor plans to fit your lifestyle. You'll find spacious apartment homes with great gourmet kitchens featuring granite countertops, luxurious hardwood floors, cozy bedrooms with walk-in closets, and private balconies to take in the gorgeous views of downtown Denver.

Location: Denver, Colorado

Property Type: Mixed Use/ Multi-Family

Property Size: 411 Residential Units / 11,000 SF Retail

Oakbrook Role: Development, Property Management,  
Construction Management

[www.maxxproperties.com/300-east-seventeen](http://www.maxxproperties.com/300-east-seventeen)

## MULTIFAMILY – RECENT PROJECTS

Our residential management team has extensive experience with the lease-up and management of new residential communities ranging from large garden-style properties to urban high-rise building, Market Rate and Affordable, Family and Senior Housing. The list below represents some of the recent new construction projects that Oakbrook has undertaken.

○ The Ruxton Apartments	Platteville, WI	71 Units	2019	LIHTC   Family
○ Bergamont Brass Works	Delavan, WI	73 Units	2019	LIHTC   Family
○ Royster Commons	Madison, WI	88 Units	2019	Market Rate
○ The Edge Apartments	Madison, WI	53 Units	2019	Market Rate
○ Stagecoach Apartments	Middleton, WI	46 Units	2019	Market Rate
○ Oak Ridge Apartments	Middleton, WI	83 Units	2018	LIHTC   Senior
○ 820 Park	Madison, WI	95 Units	2018	LIHTC   Family
○ Meadow Ridge Apartments	Middleton, WI	95 Units	2018	LIHTC   Family
○ The Reserve at High Point	Madison, WI	156 Units	2018	Market Rate
○ The Encore Apartments	Sheboygan, WI	81 Units	2017	Market Rate
○ Maple Grove Commons	Madison, WI	80 Units	2017	LIHTC   Family
○ Drexel Ridge Apartments	Oak Creek, WI	285 Units	2017	Market Rate
○ State Street Station	Wauwatosa, WI	158 Units	2016	Market Rate





## Exhibit E

## PROFESSIONAL SERVICES OVERVIEW & FEATURED PROJECT EXPERIENCE



Key Commercial Real Estate, LLC  
211 S Paterson Street, Suite 320  
Madison, WI 53703  
[www.keycomre.com](http://www.keycomre.com)  
608-729-1800

---

## *KEY COMMERCIAL REAL ESTATE COMPANY OVERVIEW*

Key Commercial Real Estate is a full-service firm based in Madison, Wisconsin that offers expertise in all areas of commercial real estate. Our unique team approach provides every client access to a group of highly skilled professionals with advanced degrees in real estate, finance, business and economic development. The members of Key Commercial Real Estate provide the solution driven, quality commercial real estate services expected from a national company with the entrepreneurial ingenuity and responsiveness that only a smaller firm can provide. This is further exemplified by the synergy between Key Commercial Real Estate and Dane County's largest online commercial real estate listing service, PropertyDrive. The founding principals of Key Commercial also own and operate PropertyDrive thereby creating a stronghold on the local real estate market knowledgebase.

With well over 100 years of combined experience on both sides of the negotiating table, Key Commercial Real Estate serves the full spectrum of clients from small local businesses to large international companies. Our firm performs work on office, retail, industrial, land, and mixed-used properties throughout the state, encompassing both the public and private sector.

### *SERVICES OFFERED*

*Brokerage*

*Leasing*

*Tenant Representation*

*Buyer Agency*

*Landlord Representation*

*Sale-leaseback*

*Construction Management*

*Consulting*

*Property Management*

*Build to Suit*

*Investment Services*

*Demographic & Site Analysis*

*Strategic Marketing*

*Financing Procurement*

*Valuations*

*Financial Reporting*

## *FEATURED PROJECT EXPERIENCE*



### **LOCATION**

211 N. Carroll Street  
Madison, WI

### **DESCRIPTION**

Real Estate Brokerage and Consulting Services for Madison College

### **PROJECT DATE**

May 2013 through Present

### **PROJECT SCOPE**

Key Commercial Real Estate was initially engaged by Madison College to conduct a comprehensive analysis of the College's campus in downtown Madison. This analysis included a site location assessment, community outreach interviews, developer and municipality interviews, in-depth market study analysis, summary of the permitting and entitlement strategy, overview of the economic and development climate, and an assessment of TIF and the financial feasibility for a range of development scenarios. This study included both oral and written reports summarizing the conclusions and recommended strategies for long term facilities planning decisions.

Key Commercial is now representing Madison College in all real estate transactions including acquisition of an Emergency Vehicle Operators Course site, relocation of their west Madison campus, acquisition and development of a new South Madison Campus and disposition of the Downtown Madison Campus through an extensive RFP process.

### **CONTACT**

Mark Thomas  
Vice President of Administrative Services  
Madison College  
608-243-4045  
[MThomasJr@madisoncollege.edu](mailto:MThomasJr@madisoncollege.edu)



## *FEATURED PROJECT EXPERIENCE*



### **DEVELOPER REPRESENTATION – SALE & LEASING**

<b>LOCATION</b>	800 E. Washington Avenue Madison, WI
<b>DESCRIPTION</b>	Design concept assistance, marketing and lease up of large scale mixed-use projects
<b>COMPLETION DATE</b>	2015 through Present
<b>PROJECT SCOPE</b>	<p>Key Commercial Real Estate was hired by developer, Otto Gebhardt, to provide real estate services for three large scale projects on E. Washington Avenue in various stages of development. This included one completed building with commercial vacancy for lease-up, one approved project in the initial stages of construction and one concept project.</p> <p>Key Commercial continues to provide a broad spectrum of services to Gebhardt Development including assistance with the design of commercial spaces to align with current marketplace trends, and the marketing and lease up of nearly 200,000 SF of commercial space. Key Commercial's creativity and tenacity is exemplified by the successful lease-up of the buildings in an area of the City that had been challenged for over a decade.</p>
<b>CONTACT</b>	<p>Otto Gebhardt Owner Gebhardt Development <a href="mailto:gebhardtdevelopment@tds.net">gebhardtdevelopment@tds.net</a></p>

## *FEATURED PROJECT EXPERIENCE*

## Office

Sonic Foundry  
 Strohm Ballweg  
 Per Blue  
 MadREP  
 5Nines  
 Toole Design  
 Capital Valuation  
 Red Caboose  
 Richardson School  
 Redox  
 Outrider  
 Madison College  
 InterVarsity Christian Fellowship  
 Threshold  
 CenterX  
 Storybridge.tv  
 Google

Wind River Financial  
 Madison Science Museum  
 Midwest Title Corporation  
 Sauk Prairie Memorial Hospital  
 Open Circle Healing Arts  
 Hoey Apothecary  
 Yumbutter  
 Associated Bank  
 Data Dimensions  
 Farwell  
 Sierra Club  
 WiscNet  
 Willow Pharmacy  
 Access Community Health Centers  
 Magix  
 Lemans Corp  
 Care Wisconsin

## Retail

Ecco Salon  
 Healthy Pet Vet Clinic  
 Orange Theory Fitness  
 Paul Mitchell Schools  
 Glaze Teriyaki  
 Habitat ReStore  
 Pieces Unimagined  
 Body N Brain Yoga  
 Monsoon Siam  
 It'Sugar  
 Associated Bank  
 Frank Productions-The Sylvee

Barriques  
 Jules Pilates  
 Omni Fight Club  
 LJ's Restaurant  
 Table Wine  
 Growler Tap Room  
 Medicine Shoppe  
 Earthview Yoga  
 Citywide Pet Clinic  
 PilateSpa  
 Vintage-Tangent

## Flex/Industrial/Other

ProClip USA  
 DAFO US  
 FCM Corporation  
 Sani-Matic Inc.  
 General Communications  
 Wingra Direct  
 Allied Panels  
 YWCA  
 Frank Productions  
 Briarpatch

W.E. Davies  
 Habitat for Humanity  
 Imaging Systems Inc.  
 The Kombucha Shop  
 Murfie  
 Hanley Implements  
 Prefinished Millwork/Fuller Properties  
 Columbus International Speedway  
 DAIS  
 Sector67

***TEAM MEMBER BIOS***



**Annette Gelbach, CCIM, Principal** - Annette has been active in commercial real estate since the mid 1980's and has experience with developers, landlords, tenants and property management. In 1997 Annette formed her own company, Gelbach Commercial Real Estate where she specialized in buyer and tenant representation. In 2011 Annette became a founding partner in Key Commercial Real Estate and has an extensive client list that ranges from small local companies to large international firms, with her professional expertise benefitting them in leasing, purchasing, lease renewal and build to suit transactions. Annette specializes in office and industrial.



**Aimee Bauman, CPA, CCIM, Principal** - Aimee takes pride in the level of detailed attention that she affords her clients and brings a professional yet personalized approach to each project. Her expertise includes brokerage, leasing, forecasting, project proformas and investment analysis. She also supervises the Key Commercial Management division. Aimee gained an extensive business management, accounting, finance and development background while previously working as a tax and business consultant in the public accounting industry and for a commercial real estate developer.



**Jenny Lisak, CCIM, Principal** - Jenny's career spanning, direct industry experience provides a thorough knowledge of brokerage, leasing, property management, development and investment analysis. Prior to joining Key Commercial, Jenny was the Vice President of Development for a commercial developer where she completed over \$30 million in new projects. In that role, Jenny was responsible for negotiation of acquisitions & build to suits, project underwriting, and securing debt financing. In Jenny's current role, she applies this extensive knowledge base to ensure each of her clients receive the highest level of service and achieve their real estate goals.



**Deborah Ersland, Principal** - Deborah has more than 33 years of experience in commercial real estate brokerage, project analysis, historic renovation, project development, site selection, project design, leasing, and property management. In 1992, Deborah founded her own real estate firm representing property owners, developers, investors, tenants and communities. Her product experience ranges from hotels, free standing retail, shopping centers, office buildings, industrial properties, waterfront townhomes, and elderly and family housing. She has also provided downtown revitalization and market analysis services to communities and neighborhood districts both locally and nationally.



**Mallory Rekoske** - Mallory is known for her research prowess. She applies her comprehensive knowledge of acquisitions, build-to-suits, site analysis and market research to all facets of Key Commercial's services including leasing, brokerage, marketing and development. Prior to her role at Key Commercial, Mallory held a prominent role in the acquisition and development of retail, office and industrial real estate for a local developer and was responsible for the creation of investment prospectuses used to secure equity for commercial real estate investments.



**Kristen Fish, CEcD** - Kristen has 20 years of direct experience leading the business development efforts of a municipality and working in the media and manufacturing sectors. She managed the land sale and development in the City of Wausau's 400+ acre industrial park, including a recent \$30 Million corporate headquarters development. She has also managed a municipal Tax Increment Financing (TIF) program, creating and amending several TIF districts. Kristen specializes in recruiting and retaining businesses while structuring deals to fully maximize benefit opportunities for all parties involved in the transaction.

## *AFFILIATIONS*

Madison Chamber of Commerce  
Middleton Chamber of Commerce  
Downtown Madison Inc.  
Capital Entrepreneurs  
Greater Williamson Area Business Association  
Marquette Neighborhood Association  
Wisconsin Economic Development Association  
Mid-America Economic Development Association  
Wisconsin Downtown Action Council  
Realtors Association of South Central Wisconsin  
Wisconsin Realtors Association  
National Association of Realtors  
Commercial Brokers Group  
CCIM Institute  
Wisconsin Certified Women Owned Business





## Exhibit F

**Prepared for:**

Lee Christensen  
Development Manager  
Gebhardt Development  
800 E Washington Ave  
Madison, Wisconsin 53703  
lee@gebhardtddevelopment.com

**Prepared by:**

Mack Gapinski  
National Account Manager  
SunPeak  
440 Science Drive  
Madison, WI 53711  
mack@sunpeakpower.com

Thank you for the opportunity to discuss your solar energy needs. This quotation is based on the preliminary information we've gathered to offer you an initial suggested system configuration, size and budgetary estimate. Upon more detailed review, the size and cost may be adjusted to reflect new information.

**Project Name & Location**

Judge Doyle Project  
Block 88  
Madison, Wisconsin 53703

**Site Information**

Energy Consumption	900,000 kWh / year
Blended Utility Rate	0.089 \$ / kWh
Electrical Service	3-phase (480 VAC)

The proposed system is 48 kWdc, which is the rated power generation capacity of the solar modules. Each module is rated at 275 W for a total number of 176 modules in the system. The system is projected to produce 57,600 kWh of net usable electricity per year.

**System Overview**

System Size	176 modules
System Module Power Capacity	48 kWdc
Projected Annual Energy Production	57,600 kWh / year
Ratio of Current Consumption Offset with Solar System	6%
Mounting Style	Roof (DeltaWing)
Estimated Useful Lifespan	30 years

Tax credits are available for this project, reducing the net after-tax cost of the system investment. Additionally, the system qualifies for full depreciation in year one, which further enhances the tax advantage.

**Investment Overview**

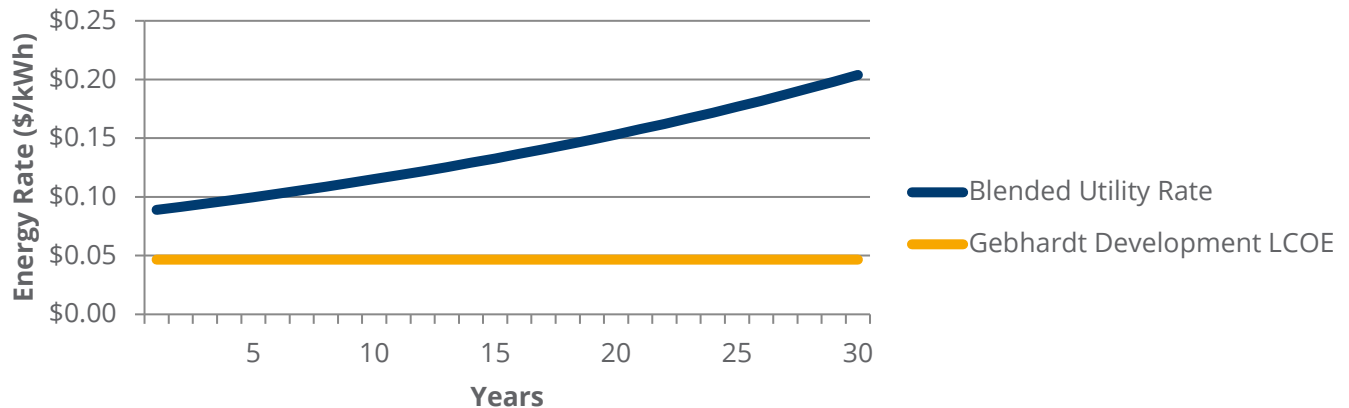
System Investment / Quotation	\$96,500	<i>total turnkey installation cost (\$1,990/kWdc or \$1.99/Wp)</i>
Federal Investment Tax Credit	(\$28,900)	<i>directly reduces federal taxes due in year of installation</i>
Additional Rebates or Grants	(\$14,400)	<i>local additional grants or rebates may be available</i>
<b>Net Investment Before Depreciation</b>	<b>\$53,100</b>	<i>net cost in year of installation, before depreciation benefits</i>
Estimated Depreciation Tax Benefit	(\$17,200)	<i>over 1 year with an effective tax rate of 21%</i>
Net Investment After Depreciation Tax Benefit	\$35,900	<i>net after-tax investment after all tax benefits</i>

## Projected Energy Savings

Once installed, your SunPeak solar photovoltaic (PV) system will provide nearly free electricity every day for the next 30 years. This will lead to significant cost savings from your current utility bill, a savings that is anticipated to grow each year. The cost of electricity continues to rise in America and has grown 2.9% year-over-year over the past fifteen years.

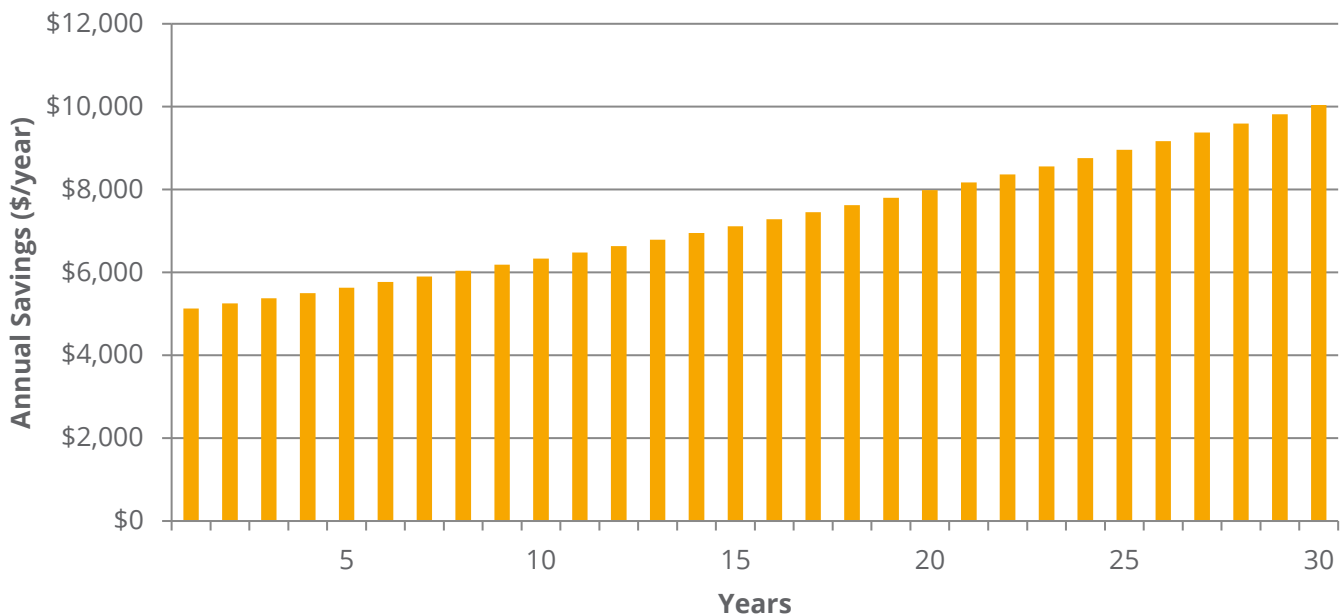
The Levelized Cost of Energy (LCOE) is the effective energy cost of solar, factoring in both upfront investment and operating costs. It allows a direct comparison between utility rates and the equivalent cost of solar over the life span of the system. You are currently paying a blended utility rate of \$0.089/kWh, which is projected to rise to \$0.204/kWh over the lifespan of the system. In contrast, the after tax LCOE for the proposed SunPeak system is \$0.047/kWh and is fixed.

### Solar Cost of Energy vs. Utility Rates



The proposed system is projected to generate 57,600 kWh/year. At the current blended energy rate being paid to the utility, this equates to an annual value of electricity of \$5,130/year. This figure is anticipated to grow over the lifespan of the system as the utility rates rise, leading to a total lifespan projected savings of \$220,000.

### Projected Annual Energy Cost Savings





## Operations & Maintenance (O&M)

An investment in a SunPeak system pays for itself and leads to significant cost savings and a strong return on investment over the duration of the system's life. The below estimates of cost savings are based on preliminary information and assumptions, and provide a guide to the expected economics for your project.

Annual Value of Electricity Produced	\$ 5,130 per year
Budgeted Annual Operating Expenses	\$ 350 per year
Net Value Generated after Operating Expenses	\$ 4,780 per year

The cost of operating the system each year is minimal, however, it is prudent to include some budget for eventual need to replace or service some components. The financial analysis below includes expected typical O&M expenses including a budget for expected maintenance and equipment replacement needs. SunPeak can offer you a variety of levels of service, depending on your preference and needs. The system has an expected useful life of 30 years, which is used to calculate the following return on investment metrics. The below figures take into account the various tax incentives and are after-tax figures.

## Return on Investment Overview

Internal Rate of Return (IRR) - Unlevered	11.4% per year
Reduction in Total Energy from Utility	6% reduction
Lifespan Simple Return on Investment (ROI)	352% ROI
Lifespan Value of Electricity Produced	\$ 220,000 over 30 years
Lifespan Energy Produced	1,603 MWh

**Internal Rate of Return (IRR)** can be loosely thought of as an effective "interest rate" that would be equal in value to the series of after-tax cash flows the system is projected to generate. Its advantage is in its simplicity. If the IRR is greater than the businesses cost of capital, the investment may be attractive. IRR can typically be magnified through use of debt financing; however, the IRR presented above assumes no outside financing.

**Reduction in Total Energy from Utility** is the projected annual energy production of the system as a ratio of current energy consumed at the facility.

**Lifespan Simple Return on Investment (ROI)** is the net after-tax value of the electricity cost savings divided by the net after-tax investment in the system.

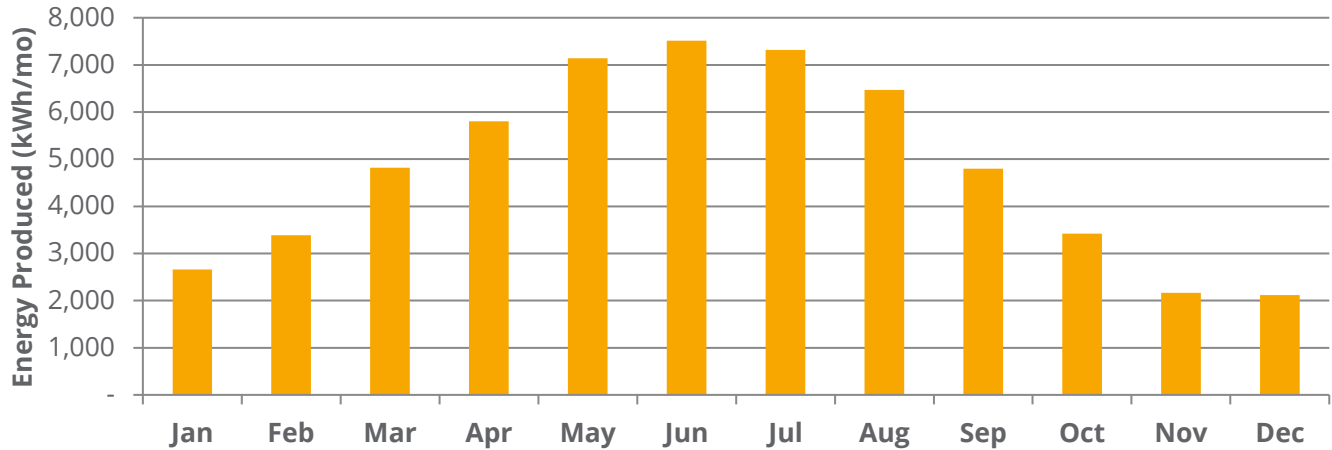
**Lifespan Value of Energy Produced** is a simple summation of the annual projected value created over the system's 30-year lifespan based on the offset value of projected utility rates, assumed to inflate at 3% per year.

**Lifespan Energy Produced** is a simple summation of the projected energy production of the system over the next 30 years, which is its projected life. This figure takes into account expected module degradation over time.

## System Performance Overview

The system is projected to produce 57,600 kWh/year. Due to there being a seasonal variance in the available sunlight, monthly energy production will vary over the course of the year. The chart below shows an estimate of the distribution of energy produced per month.

### Monthly Energy Production



## Environmental Impact

Investment in solar energy demonstrates your leadership in reducing environmental impact. Over the course of the system's life, the energy produced will offset significant amounts of energy that would have otherwise been generated by conventional utilities.



**Electrical Energy**

**1,602,600** kWh



**Carbon Dioxide**

**1,200** tons of CO2



**Landfill Waste**

**400** tons on landfill



**Passenger Miles**

**2,631,100** miles of driving



**Gasoline**

**124,300** gallons of gasoline



**Coal**

**600** tons of coal



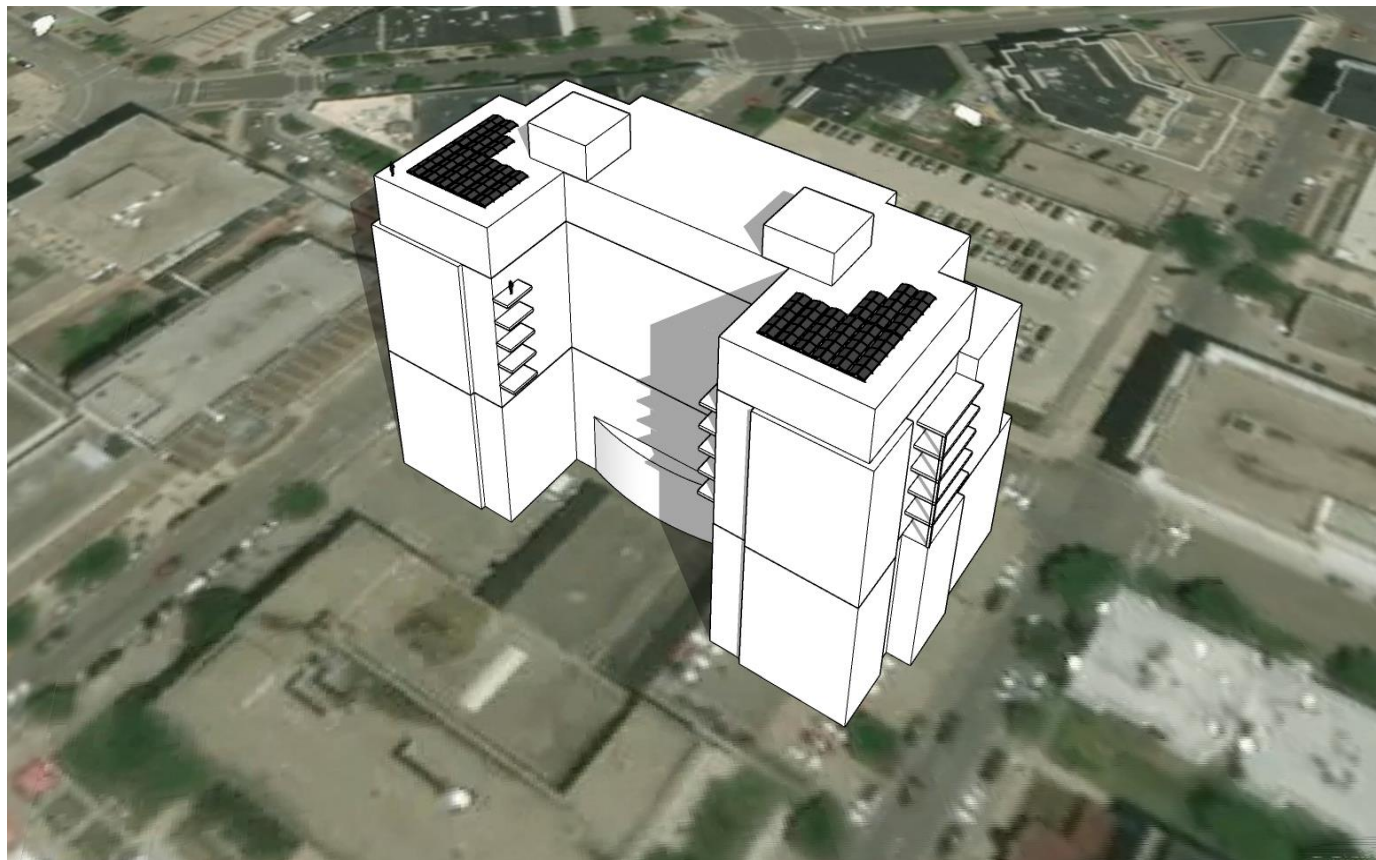
**Trees Planted**

**28,300** trees planted

## System Configuration

SunPeak has adopted a modular approach to project sizing, scaling projects with pre-engineered and proven subsystems. This approach leads to highly repeatable results, maximizes cost efficiency and offers the greatest value. Detailed engineering will occur upon project acceptance. Final engineering analysis may alter the following system outline; however, the final system will be equivalent or superior to what is presented below.

<b>System Size &amp; Configuration</b>	33 kWac power capacity (grid) 48 kWdc power capacity (solar modules) 1.47 DC/AC ratio
<b>Solar PV Modules (Panels)</b>	Tier 1 commercial polycrystalline silicon panels; e.g. Hareon Solar 275 watts/module power capacity 176 modules in system
<b>Inverter(s)</b>	Tier 1 commercial string inverter; e.g. Huawei 33 kWac inverter capacity 1 inverter in system 3-phase output
<b>Mounting System</b>	Tier 1 commercial mounting system; e.g. Schletter USA Roof (DeltaWing) style mounting All necessary structural engineering included.
<b>Production Monitoring</b>	Solar Log, with online monitoring & smartphone access Flat panel display monitor can be added for in-building showcase of energy



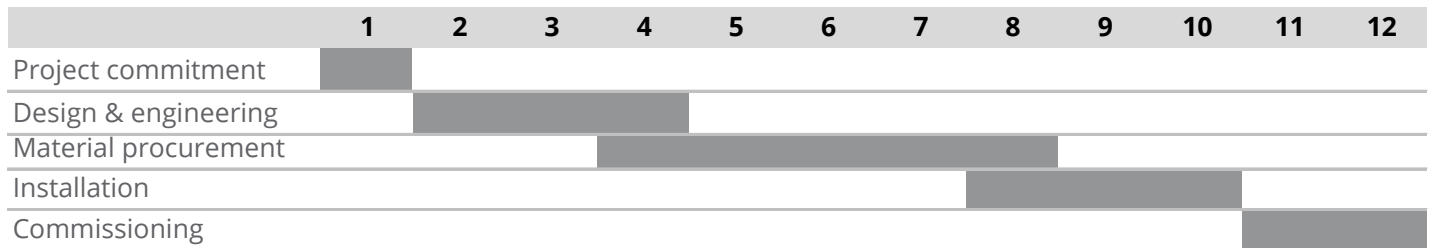
*The above image is a preliminary concept based on initial information and satellite imagery.*



## Installation Schedule

SunPeak can begin implementation on the project immediately. The project will start with a detailed site assessment from one of our field engineers, then full engineering and design. Concurrently, SunPeak will work with you and handle all required building & electrical permits, utility interconnection applications, incentive applications (if applicable) and any other needs as they arise. We manage the whole process.

Primary materials will be ordered after the design is mature. Each project is designed and built to suit, so a lead-time is typically associated with material procurement of 4-6 weeks. Once the materials are on-site, installation is completed. Final system testing and commissioning are the last steps.



## Payment Schedule

Invoices are typically issued as the project is completed, tied to specific milestones. Upon contract execution and project deposit, the project begins. SunPeak may be able to assist in various alternative financing schemes, depending on project size and need. The following table presents the standard payment schedule:

1	Project Deposit	\$9,647	10%
2	Materials Ordered	\$28,941	30%
3	Materials On Site	\$28,941	30%
4	System Completion	\$24,118	25%
5	Commissioned	\$4,824	5%
<b>Total Project Cost</b>		<b>\$96,472</b>	<b>100%</b>

## Available Operations & Maintenance Plans (O&M)

SunPeak can offer an optional Operations & Maintenance (O&M) service contract to maintain the system at full operating capability over the life of the system. The O&M contract can be structured at the level of service desired post-installation.

	Standard	Comprehensive
Remote Performance Monitoring	✗	✗
Online Data Hosting for Monitoring & Dashboard/Smartphone Access	✗	✗
Warranty Claim Service	✗	✗
Qualification of Customer Staff for System Operation & Reset	✗	✗
Annual System Performance Report	✗	✗
Annual On-Site Inspection & Cleaning		✗
Incidental System Maintenance & Repair		✗
<b>Annual Cost</b>	<b>\$350 / year</b>	<b>\$790 / year</b>

## SunPeak is Your Solar Energy Partner

**We take care of everything.** SunPeak is a comprehensive solar developer that handles the whole process of “going solar” from beginning to end. We are focused everyday on solar photovoltaic (PV) systems. Our experience in this field allows us to handle all aspects of the process, allowing you to tend to your business. From initial site assessment and feasibility analysis through component procurement and final installation, we handle it all.

**SunPeak offers the best value in the industry.** Due to our quantity buying power, we have direct relationships with the world’s leading component manufacturers. Our primary mission is to make clean renewable energy available to everyone. This includes anyone that wants to save money, not just those that want to promote green energy. This is only possible by streamlining our entire supply chain and operations. SunPeak runs a tight ship and passes those savings on to you.

**Global experience. Local service.** SunPeak’s management has project experience in Germany, Japan, China, Canada and the United States. This perspective allows us to see the world’s best practices, and adopt the best ideas for each project.

**Quality systems. Decades of power.** SunPeak uses only top quality components and engineers each system to provide reliable energy for decades. We have exclusive relationships with numerous suppliers, offering unique technology to the North American market.

**Long-term support and a close ongoing relationship.** In short, we stand behind our work. We offer a complete warranty, and ongoing operations and maintenance support for the life of the system. Our relationship with you will not end after the system is installed.

**We will help maximize your available incentives.** We are in the midst of exciting times. Federal, state and local governments are offering incredible incentives to adopt clean energy; however, navigating these incentives can be daunting. SunPeak has successfully attracted grant money on behalf of its customers, sometimes offsetting over half of the total project cost. We would be happy to assess your available incentives and assist in preparing any necessary grant applications for you. If awarded, you keep the money.



440 Science Drive  
Madison, WI 53711  
Office 608.535.4554  
Toll Free 844.NO.CARBON  
[contact@sunpeakpower.com](mailto:contact@sunpeakpower.com)  
[www.sunpeakpower.com](http://www.sunpeakpower.com)

## Assumptions & Clarifications

- 1.) LCOE discounts the cost of the energy and energy produced per National Renewable Energy Laboratory guidelines.
- 2.) Quotation assumes facility is "solar ready" and significant investment in site preparation is not needed.
- 3.) Additional insurance costs may increase O&M estimates higher than what is estimated.
- 4.) The blended energy rate (\$/kWh) equals the total cost of energy divided by the total energy consumed (kWh).
- 5.) Federal Investment Tax credit can be applied 1-year back and up to 20-years forward, per IRS rules.
- 6.) Solar production estimates were made using System Advisor Model (SAM), published by NREL.
- 7.) System configuration, size and pricing may need to be altered based on further analysis and information.
- 8.) ROI calculation based on the following assumptions:
  - a.) inflation in energy prices averages 2.9% per year
  - b.) module degradation averages -0.5% per year
  - c.) O&M costs are budgeted at \$350 per year
  - d.) system performance is based on 1190 kWh / kWdc / year per SAM weather files.
  - e.) effective tax rate is 21%
- 9.) For business systems, LCOE is an "after tax" rate that captures tax credits and depreciation benefits
- 10.) Estimates for environmental impact were derived from coefficients presented on the EPA's website
- 11.) Production estimates were based on azimuth of Roof (DeltaWing)
- 12.) Quoted price is good for thirty (30) days.
- 13.) Proposal assumes electrical system is capable of supporting installed solar system; e.g. is "solar ready."
- 14.) Ground-based systems may require additional investments in fencing and/or landscaping, which is not included

## Disclaimer

*This proposal is for informational purposes only, using estimates for current and future utility rates, system production and projected incentives. System quote represents SunPeak's best estimate with the information presently available, but should be treated as budgetary until a detailed engineering analysis can be completed. Please consult with your tax accountant for any tax related information.*

*This proposal assumes the site is in acceptable condition to install a solar system (structurally, electrical system, access, etc.). This proposal includes forecasts, projections and other predictive statements resulting from an analysis by SunPeak of the information provided to it by the prospective client as well as information from SunPeak's operations and what is available within the marketplace. The forecasts, projections and other predictive statements, particularly those of energy savings and cost savings, are based on information available to SunPeak at the time made, stated assumptions that were relied upon and other factors outside the control of SunPeak. Prospective clients should recognize that the forecasts, projections and other predictive statements stated herein, although based upon information and assumptions that SunPeak believes to be viable and accurate, are projections and that SunPeak does not provide any guarantees for the achievement by the prospective client of the projections noted herein. The prospective client must realize that in the development of any projection there are certain factors that are unforeseen at the time the projection is made and thereby there are certain risks involved that provide for uncertainty. The prospective client's actual performance results may differ from those projected in this proposal. Therefore, there is no guarantee presented or implied as to the accuracy of any specific forecast, projection or predictive statement contained herein.*



## Project Financing

Financing a system with a solar loan can make great financial sense, as the system pays for itself over time through avoided energy costs. This keeps more cash in your pocket today, while capturing the long-term benefits of going solar. Each project must be evaluated individually, as numerous factors impact the eligibility and terms of potential debt financing. This exhibit provides a starting point for evaluating the economics of a solar loan.

### Typical Financing Terms

Debt Ratio	100% system price	This financing structure leads to a levered Internal Rate of Return (IRR) of n/a (each year) for the life of the system due to reduced out-of-pocket investment and having the loan repayment financed from the energy value created by the solar system.
Interest Rate	6.00% APR	
Loan Term	10 years	
Payments per Year	12 per year	
Number of Payments	120 payments	

### Installation Cash Flow

System Investment / Quotation	\$96,500	<i>total turnkey installation cost (\$1,990/kWdc or \$1.99/Wp)</i>
Federal Investment Tax Credit	(\$28,900)	<i>directly reduces federal taxes due in year of installation</i>
Additional Rebates or Grants	(\$14,400)	<i>local additional grants or rebates may be available</i>
Net Investment Before Depreciation	\$53,100	<i>net cost in year of installation, before depreciation benefits</i>
Solar Loan Amount	\$96,472	<i>initial loan distribution</i>
<b>Net Cash Invested in Installation Year</b>	<b>(\$43,372)</b>	<b><i>net out-of-pocket cash required (surplus)</i></b>

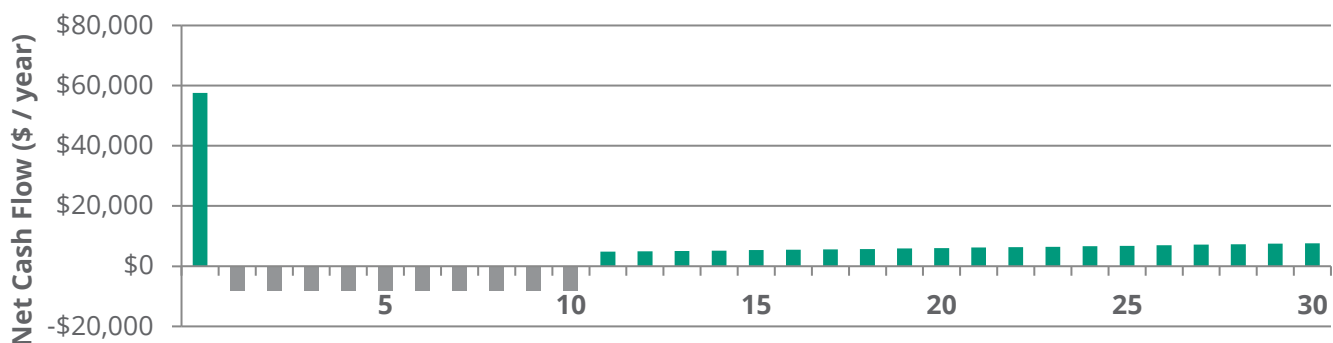
### Projected Net Cash Flow

The value of energy generated per payment period offsets the loan payments while the loan is being repaid. This system will generate an average energy value of \$427 per payment period, offsetting the \$1,071 payment.

Avg. Energy Value Generated per Payment Period	\$	427
Payment Amount per Period	\$	1,071
<b>Net Avg. Cash Flow During Loan Repayment Term per Period (pre-tax)</b>	<b>\$</b>	<b>-644</b>

Once tax matters are factored in, including accelerated depreciation tax benefits, after-tax cash flow can be shown below. The loan is repaid in the first 10 years using energy savings as the primary source of value. After the loan is repaid, the solar system is strongly cash flow positive for the rest of the system's life.

### Net After Tax Annual Cash Flow



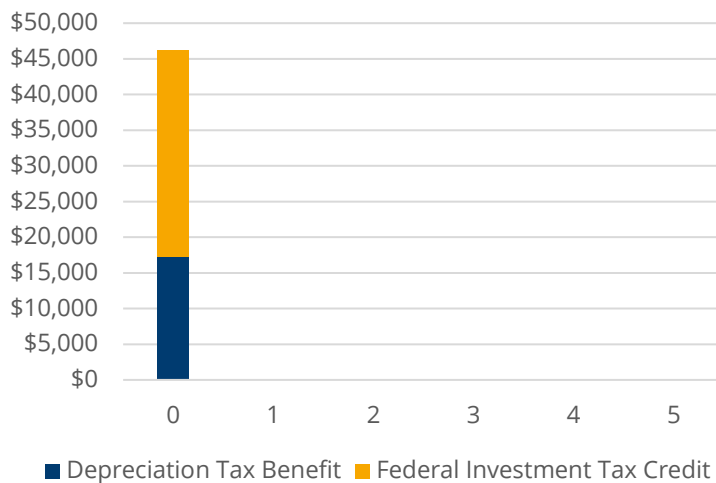
Notes: Year 0 is installation point (initial system investment). Year 1-6 includes accelerated depreciation (if applicable for business-owned systems). Year 1-10 includes repayment of loan principal and interest. Year 11-30 is after system is paid off. Year 15 shows a budgeted replacement of the inverters.

## Payback Analysis - Financed with No Debt

**Cash Flow: No Debt** (All Figures in Tables are After Tax and in Thousand's of \$)

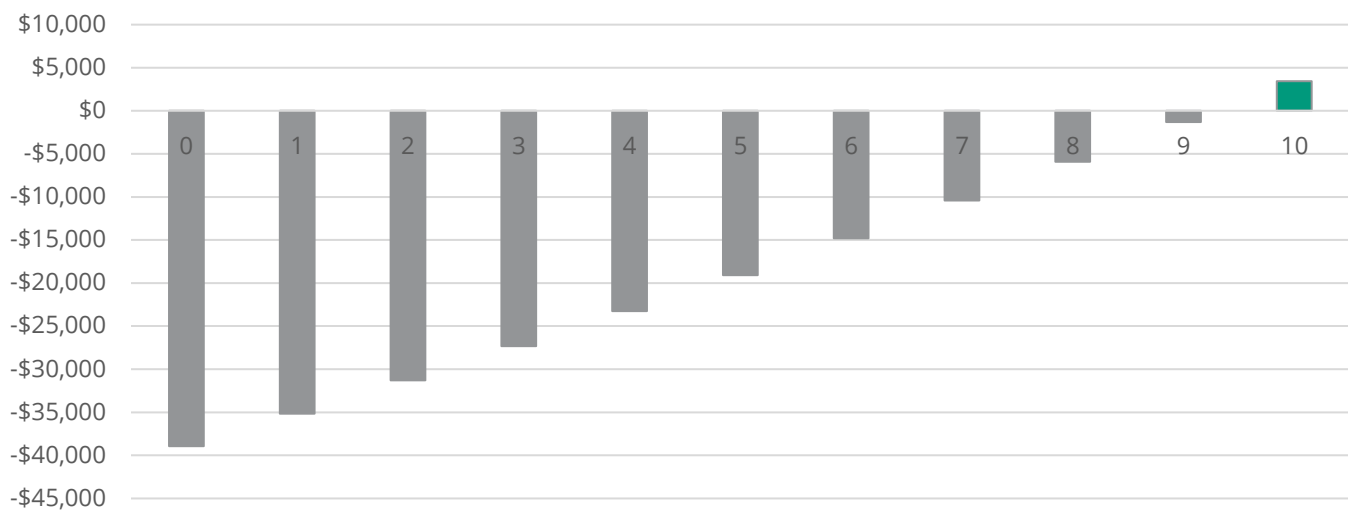
	Year	0	1	2	3	4	5	6	7	8	9	10
System Investment		(96)	-	-	-	-	-	-	-	-	-	-
Federal Investment Tax Credit		29	-	-	-	-	-	-	-	-	-	-
Depreciation Tax Benefit		17	-	-	-	-	-	-	-	-	-	-
Net Energy Value		11	4	4	4	4	4	4	4	4	5	5
Annual Cash Flow		(39)	4	4	4	4	4	4	4	4	5	5
Cumulative Cash Flow		(39)	(35)	(31)	(27)	(23)	(19)	(15)	(10)	(6)	(1)	3
Payback of Equity: No Debt (in years)												9.3

**Tax Benefit Cash Flows (Tax Credit + Depreciation)**



The tax benefits are weighted in the year of installation (Year 0, shown above), providing 48% payback immediately in tax savings alone. Both the Investment Tax Credit and the bonus depreciation can be taken in the year the system is placed in service. Depreciation benefit is calculated by multiplying the depreciation amount X effective tax rate (21%).

## Cumulative After Tax Cash Flow: No Debt



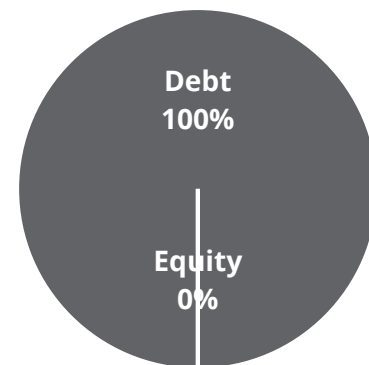
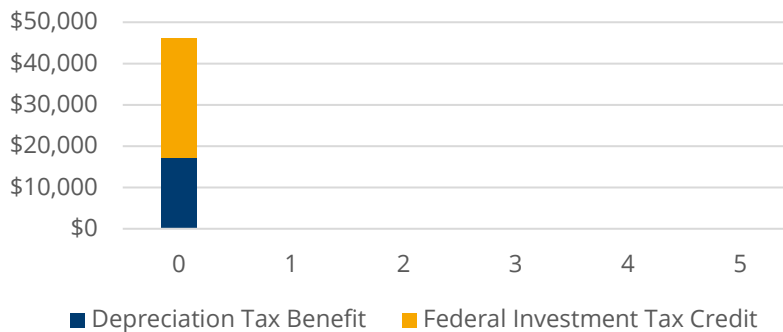
Once cumulative after tax cash flow becomes positive, the system has generated enough net value to fully pay for itself. In the unlevered case (using no debt financing), the simple payback for this system is 9.3 years.

## Payback Analysis - Financed With 0% Equity + 100% Debt

**Cash Flow: With Debt** (All Figures in Tables are After Tax and in Thousand's of \$)

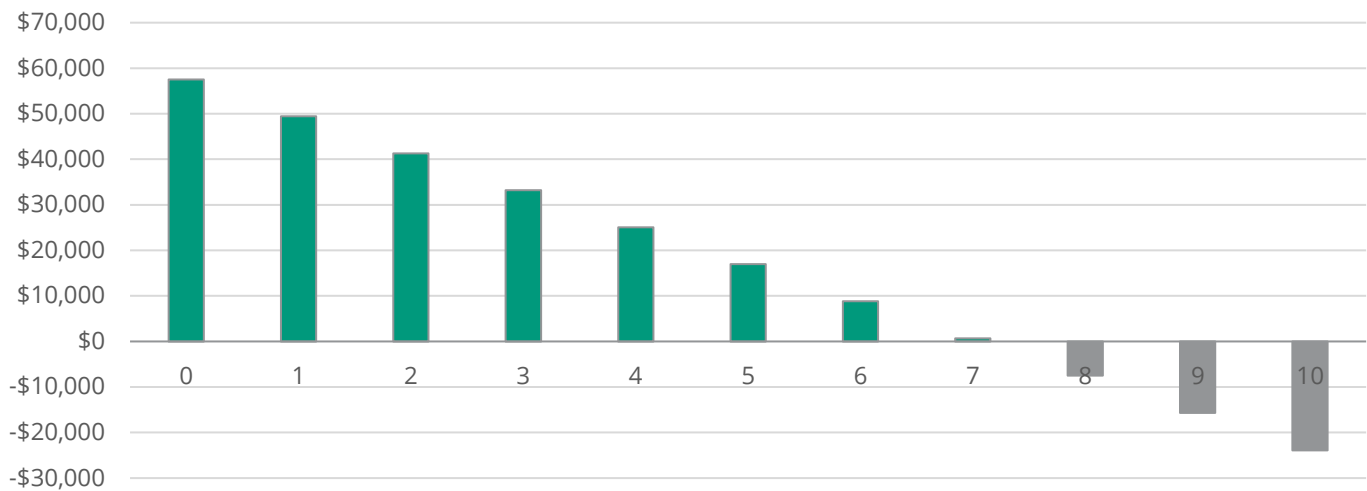
Year	0	1	2	3	4	5	6	7	8	9	10
System Investment	(96)	-	-	-	-	-	-	-	-	-	-
Federal Investment Tax Credit	29	-	-	-	-	-	-	-	-	-	-
Depreciation Tax Benefit	17	-	-	-	-	-	-	-	-	-	-
Net Energy Value	11	4	4	4	4	4	4	4	4	5	5
Loan Cash Flow - After Tax	96	(12)	(12)	(12)	(12)	(12)	(12)	(13)	(13)	(13)	(13)
Annual Cash Flow	58	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)
Cumulative Cash Flow	58	49	41	33	25	17	9	1	(7)	(16)	(24)
Ending Loan Balance	96	89	81	73	64	55	45	35	24	12	-
Payback of Equity: With Debt (in years)	-										

**Tax Benefit Cash Flows (Tax Credit + Depreciation Benefit)**



When money is borrowed to finance a solar system, the tax benefits are identical to the unlevered (no debt) scenario. However, use of bank financing significantly reduces the net upfront cash necessary to install the system, reducing equity invested. This leads to a more favorable overall cash flow stream, allowing the system to "pay for itself" over time through energy cost savings.

## Cumulative After Tax Cash Flow: 0% Equity + 100% Debt



Return of equity capital is accelerated with the use of debt financing, which in this case is 0 years. The above financing scenerio assumes 10 year loan at 6.0% interest rate (APR). Energy cost savings finances repayment of the loan.





**Solar Electric Systems**





## The Future of Energy is Here

The idea of generating one's own electricity from the sun has long been a desire. Everyday, the sun abundantly casts more energy on the earth's surface per *hour* than human civilization consumes all *year*. Why not convert this natural and carbon-neutral energy to useable electricity that can be used to power our businesses and homes?

Today, that desire is a reality. For the first time in history, self-generated solar electricity has become technically viable and economically attractive. The cost of installed solar photovoltaic (PV) systems has plummeted in recent years. The technology is robust and nearly maintenance free. With many renewable energy financial incentives still available from government, the economics have never been better. The time to go solar is now.



SunPeak's industry-leading solar photovoltaic systems offer you the unique ability to self-generate electricity at a cost below utility rates. Investing in a SunPeak system allows you to:

- **Achieve attractive financial returns.** Annual returns of 8-20% are common.
- **Increase energy independence.** Generate your own power with the sun.
- **Reduce your carbon footprint.** Solar energy is emission free.
- **Make new marketing claims.** Customers like sustainable options.
- **Guard against inflation.** Lock in the cost of energy for decades.
- **Benefit from current tax incentives.** Tax credits and accelerated depreciation benefits.
- **Immediately increase business value.** Reducing operating costs increases present value.

## Solar is a Bright Investment

Just a few years ago, investing in a solar system required a tradeoff between the positive environmental impact, energy independence and other advantages of solar, versus the added cost premium associated with the technology. Today, that tradeoff is gone. Investment in a solar system makes sound financial sense, making the decision a true “win-win.”

Currently, investment in solar provides large financial incentives. Government is supporting solar today and offering significant tax advantages. In some cases, it is possible to offset over half the cost of the system by making use of various incentives. The two key tax incentives that apply to all new systems installed in the United States are:

- **Federal Investment Tax Credit (ITC).** The IRS allows a net reduction in taxes due equal to 30% of the total system investment.<sup>1</sup> This incentive alone is akin to the government paying for 30% of your system through direct tax savings.
- **Accelerated Depreciation (MACRS).** In addition to the ITC, 85% of the system cost can be deducted from income in the first five years, despite having a useful life of 25+ years. This benefit can lead to a *further* 30% reduction in after-tax system investment.<sup>2</sup>

Typical SunPeak System Highlights		
Energy Offset Potential	<b>Up to 100%</b>	depending on available area and metering rules
Levelized Cost of Energy <sup>3</sup>	<b>\$0.04 - \$0.09/kWh</b>	depending on available incentives
Value of Incentives	<b>30% - 80%</b>	of value of system, depending on availability
Unlevered IRR <sup>4</sup>	<b>8.5% - 20%</b>	depending on incentives and electric utility rates
Simple Payback	<b>4 - 7 years</b>	depending on incentives and electric utility rates
System Life	<b>25+ years</b>	includes a limited warranty

---

<sup>1</sup> The ITC scheduled to be reduced to 10% after December 31, 2023.

<sup>2</sup> Using an assumed effective tax rate of 35%

<sup>3</sup> Levelized Cost of Energy is a term that discounts the future energy production and costs to calculate an equivalent cost of energy

<sup>4</sup> Unlevered Internal Rate of Return (IRR) is the effective annual return on investment assuming no debt is used to finance system



## SunPeak is Your Solar Energy Partner

SunPeak is exclusively focused on solar electric systems. You can be assured SunPeak will be your reliable partner through

**We take care of everything.** SunPeak is a comprehensive solar developer that handles the whole process of “going solar” from beginning to end. We are focused every day on solar photovoltaic (PV) systems. Our experience in this field allows us to handle all aspects of the process, allowing you to tend to your business.

**SunPeak offers the best value in the industry.** Due to our quantity buying power, we have direct relationships with the world’s leading component manufacturers. Most solar developers work through distributors, which inflates the cost for the customer. Our primary mission is to make clean renewable energy available to everyone. This is only possible by streamlining our entire supply chain and operations. SunPeak runs a tight ship and passes those savings on to you.

**Quality systems. Decades of power.** SunPeak uses only top quality components and engineers each system to provide reliable energy for decades. We have exclusive relationships with the world’s top solar component suppliers, offering best-in-class technology to the market.



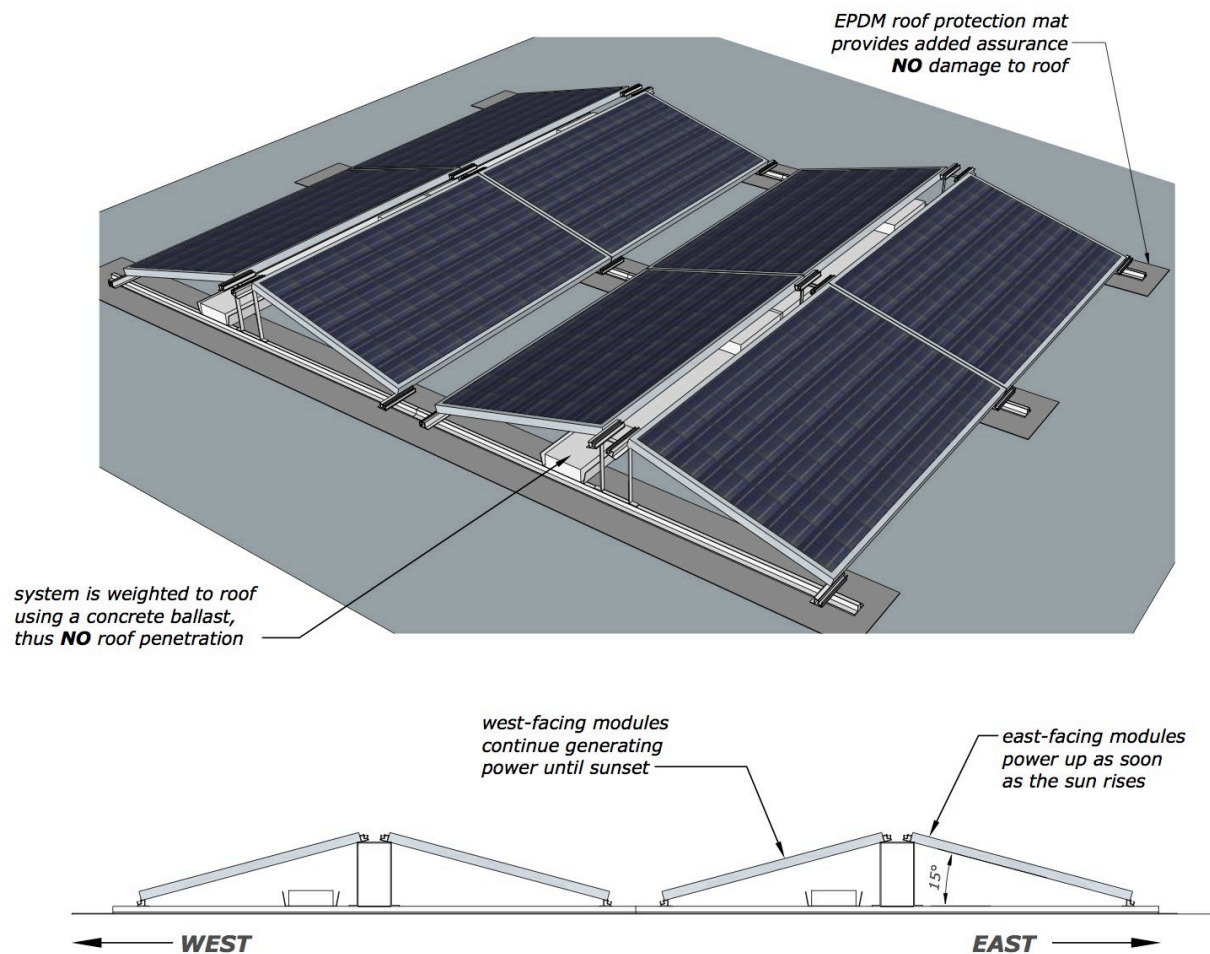
**Long-term support and a close ongoing relationship.** In short, we stand behind our work. We offer a complete warranty, and ongoing operations and maintenance support for the life of the system. With state-of-art monitoring technology, we monitor the system’s performance daily.

## The SunPeak System

Best in class technology

SunPeak engineers each photovoltaic (PV) system to suit specific project needs by integrating its advanced system architecture with world's best-in-class component technologies. By leveraging international experience and global partnerships, SunPeak is capable of delivering a system that optimizes your return on investment and provides decades of hassle-free energy from the sun.

The vast majority of systems in the United States are "south-facing," which means they are oriented due south. SunPeak offers a different approach, which is incorporated into its exclusive DeltaWing™ mounting system.







[www.sunpeakpower.com](http://www.sunpeakpower.com)

[contact@sunpeakpower.com](mailto:contact@sunpeakpower.com) | 844.NO<sup>9</sup>CARBON | 440 Science Drive, Madison, WI