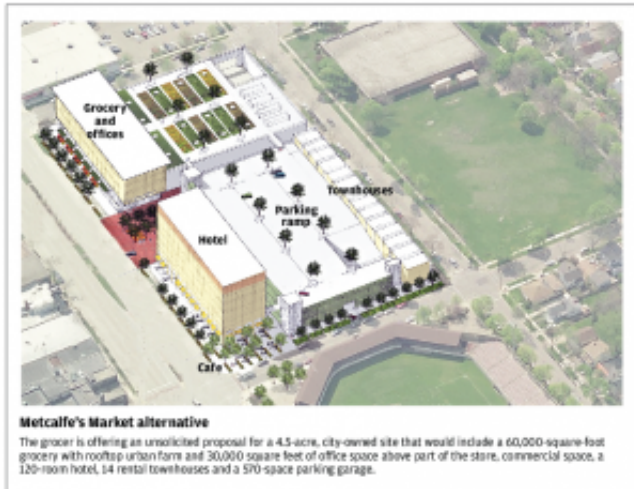


## City gets new suitor for 800 block of East Washington Avenue development



**Metcalfe's Market alternative**

The grocer is offering an unsolicited proposal for a 4.5-acre, city-owned site that would include a 60,000-square-foot grocery with rooftop urban farm and 30,000 square feet of office space above part of the store, commercial space, a 120-room hotel, 14 rental townhouses and a 570-space parking garage.

### Gebhardt Development

Agreed to buy 1.5 acres for \$952,350 and is now seeking land use approvals for a 12-story, mixed-use project with 30,000 square feet of commercial space, 215 apartments and a 240-space parking garage.

### The Rifkin Group/Irgens Development Partners

Signed a letter of intent to buy two acres for \$1.3 million for a five-story mixed-use project with 100,000 square feet of commercial space and a 400-space parking garage. Rifkin/Irgens is re-evaluating the feasibility of the project.



### Urban Land Interests

Negotiating with the city to buy 4.5 acres for a mixed-use project with 160,000 square feet of commercial space perhaps including a small grocery, 85 apartments and a 400-space parking garage to be built in phases. ULI must first negotiate a letter of intent, then a purchase agreement and then seek land use approvals.

SOURCE: CB Smith Construction Services

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Suddenly, Madison has two major, unique redevelopment proposals for the same full-block site on East Washington Avenue.

Although another developer already is negotiating to acquire the city-owned site, Metcalfe's Market is proposing a \$45 million alternative including a supermarket with a rooftop farm, a hotel, office and commercial space, housing and a parking garage on the full 800 block of the street.

"We determined there is an opportunity in the neighborhood," Tim Metcalfe said. "It just fits."

He says the project has financing and is "shovel ready."

The developer now negotiating with the city, Urban Land Interests, still wants to buy the 4.5-acre site for its mixed-use project with 160,000 square feet of commercial space with an emphasis on high-tech tenants, 85 apartments and a 400-space parking garage.

ULI believes it has the best proposal for the site, is talking with three high-tech tenants with good-paying jobs that could use up to 40,000 square feet of the project, and is in "early conversations" for a small grocery, ULI principal Tom Neujahr said.

The project could create a "cachet" for the street appealing to employers who hire young, talented and well-paid workers, he said. It could be built within five years of approvals, depending on the market, he said.

Mayor Paul Soglin, who likes both proposals, wants the city to finish talks with ULI to see if a deal is possible before opening a new process to Metcalfe or others interested in the property.

"There are some appealing elements to the proposal the Metcalfes put forward," Soglin said. But "we will continue discussions with ULI. If we come to a resolution with them, that will be the recommendation. If we can't work it out, then we will go back to a new request for proposals."

The city should know in the next two weeks or so, he said.

Ald. Bridget Maniaci and Marsha Rummel, who represent the area, said they like Metcalfe's proposal more because it would bring more energy and vitality and be a better fit for the neighborhood. They are waiting to see what final talks with ULI produce.

Richard Linster, president of the Tenney-Lapham Neighborhood Association, said he and others were "greatly impressed" by the Metcalfe's Market proposal and he personally believes the city should reopen the RFP process.

### **More sizzle?**

The Metcalfe's Market proposal has more "sizzle" than ULI's, Soglin said. But ULI's proposal could establish a foothold for high-tech professional services and have a profound effect on development in the city for a century, he said.

Metcalfe said he understands the sensitivity of the situation. "We are very respectful of process," he said. "We just want to bring forward an alternative proposal. Our hope is the city will bring it back for another RFP."

The site is the largest of three city-owned parcels that comprised the former Don Miller auto dealership on the 700 and 800 blocks of the street.

Madison bought the Miller and other properties totaling eight acres for \$5.8 million in late 2010. The city did a formal request for proposals process for selling the land — Metcalfe's didn't participate — and a special committee recommended the city negotiate with ULI and two other developers on the three sites.

Gebhardt Development and The Rifkin Group-Irgens Development Partners are further along than ULI in bringing projects to reality on the other sites. But Rifkin-Irgens recently paused to re-evaluate the feasibility of its proposal, Mark Irgens said.

Metcalfe's Market, which has upscale stores at Hilldale, the West Towne area and Wauwatosa, didn't participate in the RFP process because it was focused on opening its newest store last month in a former Cub Foods near West Towne, Metcalfe said. The company then began exploring options for a new store and saw opportunity on the near East Side, he said.

The plan includes the grocery with rooftop farm for herbs and produce to be sold at the Metcalfe's stores and local restaurants, he said. Above part of the grocery, facing East Washington Avenue, would be a three-story building with office space, potentially for the Madison Sustainability Center, he said.

Another building with first-floor retail, including a pub and restaurant facing Breese Stevens Field, a second floor health club and five-story hotel also would face East Washington Avenue. Behind the hotel would be a three-story parking garage with 570 spaces with 14, two-story townhouse units facing Mifflin Street.