

August 8, 2006

Dear neighbors, Some of you may have heard that Gorman & Company has withdrawn its request for TIF from the City. This is true. Gary Gorman last week sent a letter to Mayor Cieslewicz confirming this.

We've made a tough business decision not to proceed with the project. Though recent conversations with staff have been positive and to a certain extent productive, ultimately it became clear that although our request fell in line with City policy and some recent interpretations of its practices, our gap number of just under \$4 million was too great to be bridged by political and financial limitations.

When our firm explored the possibilities of what this development could be -- with efforts starting nearly two years ago -- we agreed that it had to make a statement, to send a message. Although the recent plan softened this to some extent, we were still comfortable that the product retained the spirit and marketability of what we'd hoped to create. Unfortunately the financial package we were able to put together -- relying ultimately on City TIF support to hedge the risks inherent in this major

undertaking -- fell far short of anything approaching that of our normal business practice. At the

end of the day, I'm comfortable that we established new friends in the Tenney-Lapham neighborhood, gave your alder insight into the way we do business, and preserved a positive relationship with hardworking staff that will lend itself well to continuing our efforts to continuing to work together

to craft a stronger Madison. Huge thanks to the A800 steering group and Alder Konkell for their passion and efforts. I hope our paths will cross again soon. Best, Chris Laurent Gorman & Company

Christopher J. Laurent
senior development manager
Gorman & Company
1244 South Park Street
Madison, WI 53715