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NCPPP Service Project Award Winner: State of Wisconsin - Hill Farms State Office Building, Madison, Wisconsin.

The new Hill Farms State Office Building created a more efficient use of shared space by allowing the State of Wisconsin to consolidate seven State of Wisconsin agencies, including anchor tenant, the Department of Transportation (WisDOT), into one state owned property in lieu of scattered smaller leased spaces. This over 5-year process, which started with the development of a Custom Proposal and P3 Development Agreement, was the result of a double joint venture in both the developer — Gilbane Development Company and Summit Smith Development and contractor roles — Gilbane Building Company and CD Smith Construction (“Smith Gilbane”).

Through the combination of a purchase and sale agreement and design-build-finance arrangement that leverages the state’s existing asset (land) and the market’s potential (growing demand base), Smith Gilbane:

1. Delivered WisDOT’s new facility and a 1,700-space parking garage on a turn-key basis, below budget and ahead of schedule, saving the WisDOT and the tax payers of Wisconsin millions of dollars in capitalized interest alone; and
2. Will deliver a vibrant \$300MM mixed use development consisting of 450 residential units, up to 450,000 SF of office and medical office space, a 200-room hotel, up to 200,000 SF of retail including a 50,000 SF Grocer, Restaurants and Other Destination Services and 2,600 parking spaces over 2 phases.

Working with HGA as architect, Smith Gilbane and WisDOT’s facility incorporates concepts that merge “form and function” to engage visitors, enhance productivity of the building’s occupants and meet the public’s expectation for a government office facility that streamlines services while reducing operating expenses.

In addition to the direct social and economic impact realized by delivering WisDOT’s new facility, Smith Gilbane expects to have an even greater impact as it delivers Madison Yards, the \$300MM mixed-use place-making component of the project.

Overall, the project was completed 3 months ahead of schedule and on budget in January 2018, allowing reduced Capital Interest Expenses to the State of Wisconsin.

Hill Farms State Office Building/Madison Yards is an industry leading example of how the public and private sectors can forge a strategic relationship to leverage each party’s respective strengths, jointly overcomes obstacles and create “place-making” developments, while delivering value to the internal/external stakeholders, end-user and investors alike.

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